



USAID | JORDAN
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Jordan

Country Development Cooperation Strategy 2013 – 2019



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Executive Summary

This is an amendment to the approved Country Development Cooperation Strategy (CDCS) for USAID/Jordan. The purpose of this amendment is to revise contextual information that has changed, particularly concerning the Syrian crisis, and update USAID/Jordan's technical approach to more accurately reflect current programs. A summary of all amendments to the CDCS can be found in Annex 2.

Jordan and the United States benefit from a long-standing partnership – the value of which is measured in Jordan's strong leadership role in the region, its strength as a moderate and stable ally in a tumultuous region, and in cooperation on numerous fronts, including the Middle East peace process and counter-terrorism, peacekeeping, and humanitarian efforts.

Jordan faces a number of daunting challenges as it strives to address its development and reform priorities. These social challenges include a rapidly growing population, gaps in the quality of basic education, high unemployment, weak citizen participation in governance and politics, water scarcity, reliance on expensive, imported energy, gender disparities, and an influx of Syrian refugees. At the same time, however, Jordan is well positioned to address these challenges due to several opportunities, including a young workforce, a government that is forward leaning in terms of policy reform, and improving health and education indicators.

This strategy lays out a focused plan to help the Government of Jordan (GOJ) in carrying out its stated commitment to broad-based political and economic reforms to meet the legitimate aspirations of Jordanians. USAID/Jordan's goal for the 2013 – 2019 strategy period is to **improve prosperity, accountability, and equality for a stable, democratic Jordan**. This goal will be achieved through the following three development objectives (DOs) and a special development objective (SDO):

- DO 1: Broad-based, inclusive economic development accelerated
- DO 2: Democratic accountability strengthened
- DO 3: Social sector quality improved
- SDO 4: Gender equality and female empowerment enhanced

A key overall theme of the strategy is complementing support for Jordanian-led structural reform with grassroots activities that will result in more visible, more directly “felt” people-level impact. Grassroots activities will be focused in the country's poverty pockets, including underserved areas, such as Tafila and Ma'an, and in communities in the north where the influx of Syrian refugees has placed significant strain on public services. As the Mission focuses its support in underserved areas, it will increasingly engage disadvantaged segments of the population, especially youth, women, and the poor. Activities to reinforce policy reform and increased accountability will cut across the program to foster a policy environment that ensures that disadvantaged populations share equitably in economic benefits and social services and are not excluded from democratic processes.

Sustainable growth will be emphasized as another cross-cutting theme through more concerted efforts to strengthen the effectiveness of local partners. This will entail building the capacity of both government institutions and local non-governmental organizations, thereby positioning

them to play a more effective role in meeting the country's development challenges, especially in light of the country's current and future natural resource and fiscal constraints. Central to this will be the pursuit of more opportunities to engage in direct implementation through government-to-government (G2G) mechanisms and with civil society and service-providing organizations.

While cross-cutting themes such as sustainability will always remain top priorities of USAID/Jordan, the Mission has concluded that several cross-cutting intermediate results (CCIRs) are needed as well to help the Mission accomplish its development objectives. These CCIRs will depend on interventions of multiple technical areas that complement one another, resulting in more holistic development.

The three CCIRs are:

- Opportunity, well-being and civic engagement for youth improved
- Community cohesion enhanced
- Impacts of rapid population growth alleviated and/or mitigated

More information on how these CCIRs fit within the Mission's development objectives can be found in the discussion under each DO.

The strategic areas of intervention, though diverse, are each an important and mutually reinforcing element of the strategy to ensure broad-based sustainable development. In the absence of one element, there is significant risk that the overarching goal of the strategy will not be achieved. In this context, the strategy will focus increasingly on supporting GOJ efforts to address the demands of citizens for increased employment opportunities in key sectors of the economy positioned to grow. In addition to linking educational outcomes with these high growth areas of the economy, the Mission will add to its education program a needed area of emphasis on early grade reading. Additionally, the strategy will support Jordanian-led reforms to improve electoral administration, promote more government accountability, and reduce opportunity for corruption. In the democracy and governance sector, assistance to civil society organizations (CSOs) will include greater focus on improving service delivery in addition to improving advocacy skills and organizational management.

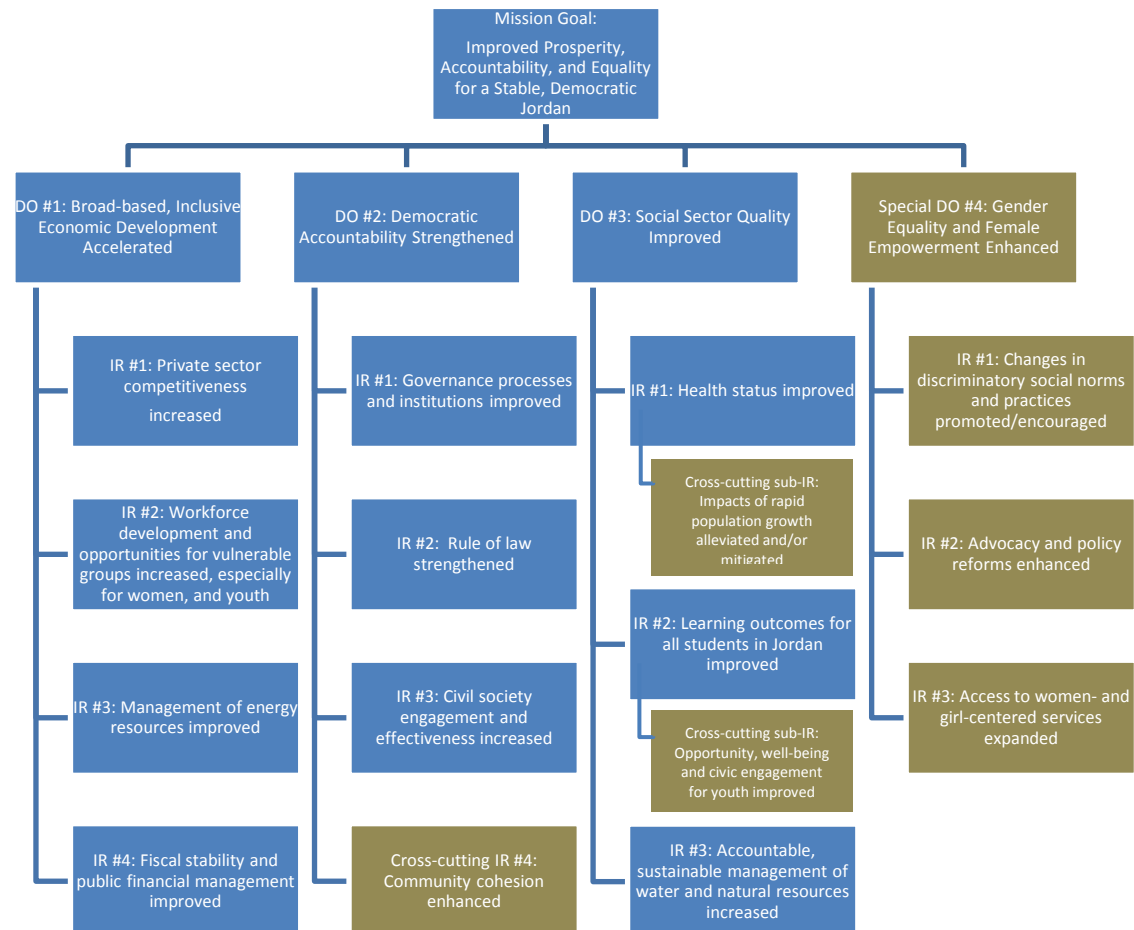
Concurrently, the strategy places importance on promoting voluntary family planning as a primary means of helping the GOJ and the Jordanian people ensure that the country's development outcomes are sustained into the future. Further, by working with the GOJ to more efficiently manage scarce water and energy resources, the country can more responsibly and effectively meet the demands of its growing population. Through the SDO, USAID/Jordan will focus on gender equality and female empowerment to foster inclusive development, increase synergies among program areas, and maximize impact. In addition to the above-mentioned project level assistance, approximately 50 percent of the total portfolio will continue to be in the form of a cash transfer to help provide the macroeconomic stability that the GOJ needs in order to realize the development priorities that it has pledged to undertake.

List of Acronyms

| | |
|--------|--|
| CCIR | Cross-Cutting Intermediate Results |
| CDCS | Country Development Cooperation Strategy |
| CPR | Contraceptive Prevalence Rate |
| CSO | Civil Society Organization |
| DHS | Demographic and Health Survey |
| DO | Development Objective |
| ERfKE | Education Reform for a Knowledge Economy |
| FY | Fiscal Year |
| FP/RH | Family Planning/Reproductive Health |
| G2G | Government-to-Government |
| GBV | Gender-Based Violence |
| GDP | Gross Domestic Product |
| GHG | Greenhouse Gas |
| GOJ | Government of Jordan |
| HICD | Human and Institutional Capacity Development |
| IEC | Independent Election Commission |
| IHSR | Integrated Health Services and Resiliency |
| IR | Intermediate Result |
| JRP | Jordan Response Plan |
| M&E | Monitoring and Evaluation |
| MCM | Million Cubic Meters |
| MENA | Middle East and North Africa |
| MMR | Maternal Mortality Ratio |
| MNCH | Maternal, Neonatal, and Child Health |
| MOE | Ministry of Education |
| MOH | Ministry of Health |
| MSME | Micro, Small, and Medium Sized Enterprises |
| MWI | Ministry of Water and Irrigation |
| NAfKE | National Assessment for Knowledge Economy |
| NCD | Non Communicable Diseases |
| NEPCO | National Electric Power Company |
| NGO | Non-Governmental Organization |
| NMR | Infant Mortality Rate |
| NT | National Test (Jordanian national test for student assessment) |
| OE | Operational Expenses |
| OYB | Operating Year Budget |
| PISA | OECD's Programme for International Student Assessment |
| PMP | Performance Management Plan |
| PPP | Public Private Partnerships |
| R&D | Research and Development |
| SDO | Special Development Objective |
| SME | Small and Medium Sized Enterprises |
| TFR | Total Fertility Rate |
| TIMSS | Trends in International Mathematics and Science Study |
| UNDP | U.N. Development Program |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| UNHCR | UN Commissioner for Refugees |
| UNICEF | U.N. Children's Fund |
| USG | U.S. Government |
| WAJ | Water Authority of Jordan |

Results Framework Graphic

Results statements (SDO, IRs and sub-IRs) with tan background are cross-cutting across the portfolio.



Development Context, Challenges, and Opportunities

Jordan is an oasis of moderation and stability in a tumultuous region. For this reason and because of the country's strategic location and long-standing partnership with the United States to advance the Middle East peace process, counter violent extremism, support regional peacekeeping and humanitarian operations, and play a supportive role for Iraqi and Syrian refugees, Jordan has received robust levels of U.S. foreign assistance since 2003.

The United States seeks to help the Government of Jordan (GOJ) in carrying out its stated commitment of broad-based political and economic reforms to meet the legitimate aspirations of Jordanians through a focused yet flexible strategy. Jordan faces a number of daunting challenges as it strives to address its development and reform priorities. These challenges and the associated opportunities to address them are summarized below.

State of the Economy

Jordan's economy grew steadily from 1999 to 2006, when gross domestic product growth peaked at eight percent.¹ This period of growth led to a subsequent drop in poverty rates from 1997 (9.8 percent) to 2006 (6.1 percent)², due in part to income gains but mostly as a result of GOJ actions to provide subsidies and safety nets to ensure the well-being of its population. However, in recent years, a number of forces have combined to threaten the sustainability of these gains. The global financial and economic crisis that began in late 2007 led to a sharp drop in global demand, which negatively impacted Jordan's exports. Virtually every class of goods and services exported from Jordan saw a significant drop in export volume between 2008 and 2009.³ GDP growth dropped from eight percent in 2008 to two percent in 2010.

In 2012, The Arab Spring, which was largely focused on economic issues here in Jordan, took its toll, in addition to the political unrest that spread in the Arabic region. Simultaneously, the regular supply of cheap natural gas from Egypt that long provided 80 percent of Jordan's electricity needs was severely interrupted by repeated detonations of the gas pipeline, with each interruption costing Jordan \$3-5 million per day as the GOJ was forced to find alternate and more-costly fuel sources, adding approximately \$6 billion to GOJ deficits since 2011 and is the main reason behind a 50 percent increase in GOJ debt levels since the start of the Arab Spring. As a result, growth and investment have decreased significantly and the GOJ has struggled with a large and growing budget deficit.

On the fiscal stability front, GOJ focused on satisfying an increasingly discontented population through the reinstatement of blanket subsidies and a move to protect the country's civil service. These measures, combined with the economic shock of the government now needing to replace interrupted gas supplies from Egypt with more expensive fuels, have led to an additional \$1.4 billion in debt. Due to these increasing government expenditures, debt surpassed 65 percent of

¹ Department of Statistics (DOS). "Annual Growth Rates of Gross Domestic Product at Constant Basic Prices by Kind of Economic Activity, 1977-2009," DOS, 2009

² UNDP. "Jordan Human Development Report", "Human Poverty Index," UNDP, 2011.

³ DOS. "External Trade Statistics, 2007-2010," DOS, 2011.

gross domestic product in 2012. In addition, because expenditures are dominated by recurring costs, there is little fiscal space for capital investments that are critical to Jordan's future competitiveness.

Of late, exacerbating the economic difficulties in Jordan is the increasing influx of Syrians escaping conflict in the neighboring country in 2012, forcing the country to take on 600,000 Syrian refugees. As of March 2015 the number of registered Syrian refugees living in Jordanian communities reached almost 624,244 according to the UN High Commissioner for Refugees (UNHCR) dashboard.

The unemployment rate for Jordanians has remained persistently high over the last decade (averaging 13.5 percent), regardless of changes in economic growth indicators – many sectors, like medical services, business and professional services, and information and communications technology, employ tens of thousands of workers and experienced recent job growth rates in excess of 15 percent. Unofficial unemployment rates are generally believed to be much higher, as many job seekers give up hope and exit the labor market. Employment prospects for youth and women are considerably worse than for the population at large; only 15.6 percent of women are active in the workforce. Jordan creates between 50 and 60 thousand jobs a year, with 49.2 percent⁴ of all employed women working in the public sector. The highest rate of unemployment was recorded in the age groups of 15-19 and 20-24 years by 36.6 and 27.9 percent respectively.⁵

Jordan's ranking in international indices of regulatory quality demonstrates that legal and regulatory barriers and their implementation continue to pose a significant barrier to private sector development. With the exceptions of customs and tax administration, two areas benefitting from USAID assistance⁶, Jordan performs poorly on the World Bank's Doing Business measures of regulatory complexity for domestic businesses (117th worldwide in 2014, down from 107th in 2013). The 2014/2015 World Economic Forum's Global Competitiveness study reports higher scores for Jordan (ranked 64th), although three of the top four issues raised by firms surveyed were legal/regulatory in nature, including labor regulations, tax rates, and inefficient government bureaucracy.

The key challenge for Jordan going forward is to expand the private sector into competitive, growing, and employment-intensive industries that provide lasting jobs for Jordan's increasingly educated workforce, and which stimulate and encourage economic and political reforms for the country. This will require concerted planning and investment from a government that is responsive to substantial private sector inputs generated through an intensive and coordinated public-private dialogue and action planning initiative.

⁴ Workforce Development Project PAD.

⁵ ILO paper. "Labour market transitions of young women and men in Jordan," ILO, 2014.

⁶ As a result of USAID assistance, which was the only donor assistance targeting customs and tax administration reform in Jordan, Jordan's position in the 2013 Doing Business Report improved 25 places since 2011 in the area of "trading across borders". In "paying taxes", Jordan consistently ranks in the top fifth of the report.

State of Politics and Governance

Despite the GOJ's commitment to political reform and the several positive steps that have been taken in this direction, there remain many challenges to accountable, transparent, and effective governance. Adequate checks and balances between the executive, legislative, and judicial branches need to be enforced. The difficult balance between maintaining security and encouraging openness is, and will continue to be, a challenge for the GOJ, especially in light of continued deterioration of regional security and the advance of violent extremist groups in neighboring countries. Citizen participation in decision-making and public debate is low at both the national and local levels, and popular "ownership" of Jordan's reform agenda is limited, yet participation, voice, and ownership are critical to Jordan's continued democratic trajectory.

Jordan's civil society is nascent, organizationally weak, and has few opportunities to engage with decision-makers, further limiting citizen participation in political and civic life, especially for women and youth. As a result, a significant portion of the population often feels unheard and disempowered. Political parties are also weak, and the traditional tribal system still overshadows the party system. While freedom of speech is generally recognized, the media and Jordanian citizens alike practice self-censorship, resulting in limits on public debate on key issues. The Jordanian press faced heightened challenges in 2013. Journalists encountered a marked increase in physical attacks as well as restrictions on coverage of controversial topics, including the Zaatari refugee camp and demonstrations calling for reform. In addition, an amendment to the press law extended licensing requirements to news websites, and there was an increase in censorship of online news content⁷.

Another challenge to good governance is rule of law, which is characterized by a slow judiciary that lacks administrative and financial independence. Yet improving the effectiveness of accountability systems, processes, and mechanisms within GOJ and judicial institutions is a lynchpin in strengthening Jordan's democratic accountability.

While respect for human rights is growing within the judiciary, women and other disadvantaged segments of the population still suffer from violations related to gender-based violence, unequal access to justice, and limited participation in public life. Undermining public confidence further is the widespread perception that government corruption is endemic. The main reason for the high perception of corruption is the lack of transparency in decision making (e.g. budget allocations and expenditure, pricing of essential commodities, and distribution of subsidies), public feeling that the few grand corruption cases brought to justice are not dealt with firmly and are surrounded by ambiguity, and a perception of electoral fraud.

Against the backdrop of these macro factors, many Jordanians look to local government to provide services, create economic opportunities, and in some cases, resolve conflicts before they become bigger issues. Yet municipalities are weak, under-funded, and often are indebted due to large staff which in many cases is ill-suited to the municipalities' authorities. The inability of municipalities to generate revenue is also a critical challenge.

⁷ <https://freedomhouse.org/report/freedom-press/2014/jordan#.VWQglouUegZ>

State of Social Wellbeing

Health and Population

As the largest donor to the health sector in Jordan, USAID investments over the years have contributed to significant improvements in healthcare. By the 2012 DHS, Jordan appeared well on its way towards achieving some of its Millennium Development Goals, based on improvements in maternal and child health indicators. Infant and under-five mortality rates were 17 and 21 per 1,000 live births respectively, and the maternal mortality ratio was 19.1 per 100,000 live births. The total fertility rate declined from 7.4 in 1976 to 3.5 in 2012. However, the demographics in Jordan are dramatically changing and taxing already strained public services and resources. Coupled with the additional burden of the Syrian refugee crisis, the health landscape in Jordan has begun to shift, as the strains on the health system are now beginning to threaten previous achievements in the health sector.

Although Jordan has seen decreasing mortality rates in previous years, morbidity rates have increased and continue to be a growing concern. Non communicable diseases (NCDs) are the leading cause of death in Jordan, and the high prevalence rates of NCDs are driving up health care costs. Seventy-six percent of Jordanians have some type of NCD, half of adult men smoke, more than half of all Jordanians do not exercise, 36 percent of Jordanian adults are obese, 26 percent have hypertension, and 16 percent have diabetes. In addition, communicable diseases in Jordan, many of which had been previously under control or eliminated (such as measles and polio) are beginning to re-emerge in Jordan and the region. In 2013, Jordan suffered its first major measles outbreak in nearly two decades, and the polio outbreak in Syria that same year resulted in Jordan having four additional national vaccination campaigns to prevent the spread of polio throughout the region.

The GOJ currently spends approximately 7.7 percent of the GDP on health expenditures, and is the highest spender on health in the region. Other middle income countries typically spend significantly less on healthcare (approximately 5 percent of GDP). About 74 percent of health spending is on curative care, while only 16 percent is on primary/preventative care. The increasing cost of treating NCDs, in addition to the increasing costs resulting from the Syrian refugee crisis, are significantly straining the health system and threaten to negatively impact the economy as the population continues to grow and the health situation continues to deteriorate. Approximately one third of health expenditures are on pharmaceuticals and vaccines, which continue to climb with the burgeoning refugee crisis, high rates of NCDs, and the reemergence of communicable diseases.

Adding to all of these challenges is rapid population growth, resulting both from fertility rates as well as the influx of refugees from neighboring countries, and continues to pose a major challenge for Jordan's development. Between 1979 and 2012, the population grew from 2.1 million to 6.3 million, and at the 2012 growth rate of 2.2 percent, the population of Jordan is expected to double from an estimated 6.3 million in 2012 to 13.2 million in 2040. And these estimates were made prior to the influx of over one million refugees into Jordan since the Syrian crisis began (2015 estimates include approximately 1.4 million Syrians in Jordan, including over 600,000 refugees as well as unregistered refugees). With nearly 70 percent of Jordan's population under age 30, this growing youth bulge poses both an opportunity to grow Jordan's economy as well as a potential risk to Jordan's stability if there aren't sufficient jobs available for

the growing working-age population. The GOJ recognizes that this is a prospect it can ill afford, given that unabated population growth adversely affects Jordan's ability to achieve its economic progress and reduce poverty and unemployment levels. It also places a tremendous strain on social services and the country's scarce natural resources, especially water and energy. Additionally, high population growth complicates governance and security efforts, especially in a highly urbanized society like Jordan.

Jordan's Total Fertility Rate (TFR) of 3.5 children per woman is still relatively high, above the rate of 2.9 for Egypt and 1.9 for Lebanon (according to the most recent DHS in each country). Factors which contribute to Jordan's high fertility and the plateau of contraceptive use include unmet need for family planning services; social and institutional conditions that support high fertility rates, including persistent preferences for large families and sons; limited access to the labor market for women; and, traditional expectations that many children are needed to support aging parents.

The landmark passage of the National Population Strategy in 1996 and the launch of the Demographic Opportunity Paper in early 2010, make it clear that the GOJ recognizes the population growth rate as a major constraint to development and that it is serious about family planning. Recognizing that the population increase can hinder socioeconomic progress, the GOJ set a goal of reducing the 2012 fertility rate of 3.5 children per woman to 3.0 by 2017. Although the GOJ has done an excellent job of articulating government commitment to addressing population growth and family planning, this policy commitment must be accompanied by strong leadership and increased allocation of resources if Jordan is to reach its family planning and fertility goals of smaller family size and replacement fertility by 2030.

Education

In line with its international Millennium Development Goals, Jordan has made steady progress in raising primary education completion rates and eliminating gender disparities in education. The latest statistics from the United Nations Educational, Scientific and Cultural Organization (UNESCO) Institute for Statistics report that in 2012, primary net enrollment rates were 97 percent (96 percent girls, 98 percent boys) while secondary net enrollment rates were 87 percent for males and 89 percent for females.⁸

Although access to education is relatively high, challenges within schools remain. A Ministry of Education (MOE) study on the characteristics of its schools determined that more than 50 percent of the students in MOE schools in Jordan are learning in overcrowded conditions, particularly in urban areas, where the average classroom size is 46 students.⁹ However, this does not take into account the influx of Syrian refugees which, according to the MOE and the U.N. Children's Fund (UNICEF), have placed an additional burden of 120,000 registered Syrian children on Jordan's public schools as of 2014.¹⁰ In 2011, the GOJ spent approximately 12.7 percent of its budget on education (and only an estimated 9 percent in 2012) – a percentage

⁸ <http://www.unesco.org/new/en/education/themes/leading-the-international-agenda/efareport/statistics/efa-development-index/>

⁹ NCHRD. School Rationalization Baseline Study Report, USAID, 2011.

¹⁰ With an additional 80,000 Syrian refugees of school age but unable or unwilling to attend school.

that is, in any case, well below the 18-20 percent average spent in the Middle East and North Africa (MENA) region.¹¹

In addition to growing concerns regarding overcrowding, the quality of education provided remains uneven. Curriculum and teaching techniques do not adequately prepare students at all grade levels with the skills required to participate socially, economically, and politically in an evolving world, and gender stereotyping in career tracking, counseling, and curriculum are significant problems. Additional obstacles in education include limited capacity within the MOE to implement meaningful reforms and hold the education system accountable, plan and use data, and effectively put policies into practice. While Jordan's students do well on international educational tests compared to the region, they fall near or below the international average and disparities exist between urban and rural areas. In addition, when student data is disaggregated by sex, worrying trends emerge. In 2014, a "Gender Gap Report" commissioned by USAID, found that "results presented here confirm that female students have been outperforming males in TIMSS, NAfKE, PISA, and NT in all subjects and grades for several assessment cycles. In addition, we learned that the gap is more pronounced in government schools than non-government schools, and as students move up through the education system and reach higher grades, the gender gap tends to increase."¹² It is important to recognize that while girls outperform boys, nobody in the Jordanian school system is performing well. If anything, the gender gap reveals just how poorly boys do throughout their academic career, repeatedly promoted through school grades without obtaining the core skills needed for their future success. Even though youth literacy (age 15-24) is reported to be nearly 100 percent, economic pressures on families, coupled with worsening education in boys' schools, are leading to an increase in dropout rates for boys in later grades. Furthermore, UNICEF has identified factors that contribute to students feeling "pushed" out of schools, including the fact that more than two-thirds of children are subjected to verbal abuse by school teachers, administrators, and schoolmates and approximately 50 percent of children are physically abused by school teachers and administrators.¹³ Thus, despite achieved gender parity and high enrollment rates, there is a need to improve the quality of education to enhance learning outcomes that contribute to more prepared graduates and to address key weaknesses in the school system, especially the low quality of education delivered in boys' schools.

Water

Jordan is one of the driest countries in the world. Its water problems begin with natural aridity that is forecast to get worse with climate change in the next few decades. The Levant appears to have been disproportionately affected by climate change already, and models agree that by 2030 to 2040, temperatures in Jordan will be one to two Celsius degrees warmer, precipitation will be 10 to 15 mm less (13 to 20 percent), and droughts will be more pronounced.¹⁴ USAID assessments identify absolute scarcity, increasing costs of infrastructure and operations, inefficient use of water in the agriculture sector, and declining water quality as the major threats to water security in Jordan. At present, Jordan provides high quality and reasonable volumes of water for human and commercial needs but at the cost of rapidly depleting its

¹¹ Jordan Fiscal Reform Project II. Education Public Expenditures Working Paper, USAID, 2011.

¹² World Education. Gender Gap in Student Achievement in Jordan Study Report, World Education, 2014.

¹³ Elayyan, Khalil. Violence Against Children Study in Jordan, UNICEF, 2007.

¹⁴ World Bank. "Country Strategic Partnership for Hashemite Kingdom of Jordan," World Bank, 2012.

groundwater reserves. Research conducted by the U.S. Geological Survey estimates that Jordan will deplete over a third of its groundwater reserves in the next two decades.¹⁵ Overuse of water is inextricable from misuse, especially contamination from industrial, municipal, and agricultural disposal. Further complicating the problem are population growth, the continuing impact of the influx of Syrian refugees, economic development, and climate change demand more water every year, forcing the country to develop distant and expensive sources, especially desalination, which will cost several times more than today's water.¹⁶ Recent USAID assessments concur with GOJ opinion that desalination will be essential in meeting human needs within the next few decades.

Less than one percent of expenditures in the average Jordanian household go to water and wastewater services, so a moderate increase in water costs would not greatly affect most households. This is emphatically not the case for the rural poor who pay more for water, depend on fewer and more vulnerable water sources, and earn much of their income from water-dependent agriculture. As groundwater levels fall, springs and agricultural wells are going dry, and pumping costs are increasing to the point that many poor farms are unprofitable.¹⁷ Jordan's most profitable crops are winter vegetables from the Jordan Valley. Water-intensive highland crops, such as maize, barley, wheat, and irrigated olives produce modest or even negative returns. A rough estimate is that amounts of water which are equivalent to a third of Amman's total use produce no crop value for the farmers or their communities. In sum, Jordan's rural communities lack water security, and the above noted trends have made these water users more motivated to accept buy-outs and to consider changes to other livelihoods.

Water scarcity and leakage issues also cause fiscal strains on the GOJ. The water sector already carries a debt of \$1.4 billion, and as of 2013 the GOJ is paying additional obligations of up to \$120 million per year to a private consortium for water pumped to Amman from the Disi area in southern Jordan. Although water utilities in Amman and Aqaba more than cover their operating costs through tariffs and user fees, and water and wastewater treatment plants are generally well maintained, utilities across the board do not have the funds for major capital investments (as are required to prepare for the new water originating in Disi). Additionally, most utilities outside of Amman and Aqaba cannot properly maintain their networks. In fact, over 40 percent of Jordan's municipal water is lost and not billed, either through leakage, poor quality equipment or pipes, malfunctioning meters, illegal connections, or poor administrative practices. Although Amman and Aqaba are much better in this regard, and better than most utilities in the world, overall losses are unaffordable. The challenge in the water sector is to maximize the value of Jordan's groundwater (which, in the agriculture sector, means getting "more crop per drop") while minimizing the human and economic costs of adapting to increasing scarcity.

Gender Equality

Despite Jordan's ratification of the U.N. Convention on the Elimination of Discrimination Against Women (CEDAW), violations of women's rights continue to be tolerated within families, society, and the state. Policies, laws, and social practices still do not recognize women's rights based on

¹⁵ USGS & Utah State University, 2011.

¹⁶ McKinsey, 2011; DAI, 2012.

¹⁷ USGS & Utah State University, 2011.

the principles of equality and social justice. While positive policy and regulatory reforms have taken place during the past several years, enforcement remains weak and advocacy is fragmented.

Traditional attitudes and inequities continue to limit women's participation in civil society, political life, and the economy. Women are underrepresented in leadership positions, including in the Cabinet, CSOs, professional unions, and political parties. On a more fundamental level, despite constitutional rights and recent policy and legal reforms, in practice, women lack stature as citizens and most interact with the state through male relatives. Despite high education enrollment rates, Jordan has one of the lowest female economic participation rates across the MENA region at 15.6 percent compared to 69 percent for men. Weak non-governmental organizations and women's groups struggle to improve women's legal and social status and their ability to participate in politics and the economy. Furthermore, women's groups struggle to bring to light the need to address gender-based violence, including honor crimes and domestic violence. The recent events of the Arab Spring and its causes reinforce the importance of greater women's empowerment and equality, making the environment ripe for the GOJ, and society as a whole, to pursue progress in this area.

Syrian Refugee Crisis

As of March 2015, the UNHCR estimated that there were 624,244¹⁸ Syrian refugees residing in Jordan, compared to a GOJ estimate of 1.4 million.¹⁹ A recent study by UNHCR, entitled "Living in the Shadows," revealed startling findings. One in six refugee households were assessed as living in abject poverty, defined as those whose monthly expenditure is \$39.6 per person or less. For female-headed households, the proportion living in abject poverty rises to one in five, indicating a higher level of economic vulnerability among families headed by women. School enrollment levels were one of the main positive trends identified in the survey, rising from 44 percent in 2013 to 53 percent in 2014, thanks to the efforts of the GOJ, donors and humanitarian actors to ensure free access to education for Syrian refugees. Despite this, the overall picture that emerges is of refugees becoming increasingly economically vulnerable over time as the crisis drags on and their resources are gradually depleted, with the majority living in or on the edges of poverty.²⁰

USAID has been working to assist the GOJ in mitigating the impact of the Syrian refugee crisis bilaterally by strengthening the host communities where the majority of the refugees reside.²¹ Despite the close collaboration between USAID and the GOJ, as well as an outpouring of support during the initial years of the crisis, several challenges remain of concern during the life of this strategy, including donor fatigue resulting in lower assistance levels, a protracted refugee crisis further straining Jordan's limited resources, and a focus on humanitarian assistance at the expense of long term development.

¹⁸ <http://data.unhcr.org/syrianrefugees/country.php?id=107>

¹⁹ No matter which estimate is used it is worth noting that 85 percent of all refugees live in host communities, as opposed to refugee camps.

²⁰ UNHCR. *Living in the Shadows*, UNHCR, 2014.

²¹ UNHCR estimates that 84 percent of Syrian refugees reside in host-communities as of 10/24/14. (<http://www.unhcr.org/5465c15d9.html>)

Strategy Goal, Development Hypothesis and Objectives

USAID/Jordan's goal for the strategy period is to **improve prosperity, accountability, and equality for a stable, democratic Jordan**. This goal, its objectives, and the associated interventions consider *USAID's Policy Framework, 2011–2015* as well as various Agency-level sectoral and thematic strategies and policies. Furthermore, there is consistency with the GOJ's *National Agenda, 2006 – 2015* and *Government Work Plan, 2013 – 2016*.

As improving quality of life for Jordanian citizens is at the heart of the Mission's goal, the Human Development Index – with its comparative measure of life expectancy, literacy, education, and standards of living – is the most appropriate indicator for measuring this goal.

The goal will be achieved through the following three DOs and SDO:

- DO 1: Broad-based, inclusive economic development accelerated
- DO 2: Democratic accountability strengthened
- DO 3: Social sector quality improved
- SDO 4: Gender equality and female empowerment enhanced

The above four objectives are inextricably linked to better address the interconnected development challenges facing Jordan and to increase the country's prospects for long-term stability and prosperity. Water, energy, and economic growth programs will link demand management approaches and conservation to more sustainable strategies for economic development. Helping slow down Jordan's rapid population growth rates will enable the government to provide better services for its population and protect Jordan's scarce natural resources. Improvements in education will equip Jordan's youth with employability and life skills, thus better preparing them for work opportunities and for becoming more productive members of their communities. Improving private-sector responsiveness and export competitiveness, while creating jobs and enhancing workforce preparedness, will spur economic growth, especially for disadvantaged populations. Enhancing political participation, improving election administration, and strengthening civil society and judicial independence will raise public confidence in government accountability. And, pursuing more effective investments in gender equality and female empowerment will accelerate progress in development. Finally, it must be acknowledged that the Syrian refugee crisis has impacted Jordan's resources and public services, and that USAID will continue to support the GOJ as communities within the Kingdom host refugees.

DO 1: Broad-based, Inclusive Economic Development Accelerated

As Jordan strengthens its workforce, increases competitiveness, promotes improved management of energy resources, and improves fiscal management, broad-based, inclusive economic development will be accelerated. Accomplishment of this DO revolves around reinforcing Jordanian efforts to 1) build workforce capacity, 2) improve the business enabling environment, 3) increase productivity and promote innovation, 4) attract foreign investment, 5) diversify and improve the efficiency of energy resources; and, 6) strengthen public financial management. Broad-based, inclusive economic development will improve the general prosperity of the population and bring about more even gender equality, which will enhance the

country's stability and promote the status and civic engagement of disadvantaged segments of the population. Central to this DO is identification and execution of public-private partnerships and supporting the creation of jobs that will empower women economically and be on a scale that will meet the demographic challenges posed by a young and growing labor force. Improving budgetary processes will be key to eradicating corruption.

Illustrative Indicators at the DO Level (disaggregated by sex and age as applicable)*

- Number of jobs created for Jordanians*
- Private sector investment in targeted sectors as a percentage of GDP
- GDP growth rate

IR 1.1: Private Sector Competitiveness Increased

In order to achieve a significant level of success in advancing broad-based, inclusive economic development over the coming five years, Jordan must ensure that its private sector has the tools and enabling environment to be effective. If Jordan is to increase competitiveness and employment successfully in the sectors that will generate the kind of jobs most Jordanians want, the government and the private sector will need to work together to transform the business enabling environment, generate a culture of continual innovation, and increase overall productivity levels.

There is continued need for USAID to assist the GOJ with economic reforms. The World Bank's Ease of Doing Business Indicators and the World Economic Forum's Competitiveness Index numbers for Jordan have not been high historically, and they have decreased steadily over the last few years. The main weaknesses indicated in these reports are related to 1) innovation, 2) labor market efficiency, 3) access to credit, 4) starting a business, and 5) protecting investors. Overall, the World Bank's 2015 Doing Business Report ranked Jordan 117th out of 189 countries in terms of the enabling environment for small and medium enterprises (SMEs). To address the stated weaknesses in the business enabling environment, USAID and the GOJ will continue partnering to implement an ambitious ten year economic blueprint which aims to reinforce Jordan's ability to provide jobs, growth and overall competitiveness. This blueprint, called for by His majesty King Abdullah II, offers an opportunity for USAID to capitalize on renewed political will for economic reforms that will meet the demands of Jordan's restive population.

Performance against innovation indicators is disappointing. While the GOJ continuously reiterates a strong commitment to the creation of a "knowledge-based" economy that values entrepreneurship and creativity, Jordan spends just 0.34 percent of GDP on research and development (R&D) and firm-level innovation capabilities are at very low levels. Research at Jordanian academic institutions is basic in nature and generally not focused on development of industrial or commercial products. Partnerships between academia and the private sector are rare and inhibited by laws that do not allow professors to receive payment for R&D work. At an industry-level, relationships between firms and input and service providers are highly inefficient.

Lack of access to finance is a serious constraint in the Jordanian economy for firms and individuals at every level and is a large hindrance to Jordan's overall competitiveness. Equity investors are discouraged by an opaque, often confusing set of institutions and regulations that govern their activities in Jordan. Micro, small, and medium-sized enterprises (MSMEs), which contribute to more than 50 percent of the country's GDP and more than 75 percent of the

country's employment, lack the technical capacity to produce basic financial documents that would allow them to attract investment or even allow them to obtain bank loans. Banks are conservative and do not provide loans to the extent demanded by MSMEs. These challenges are exacerbated for women-owned businesses, as many women do not have access to the kind of collateral that they would need to get a bank loan or information on networking and value chain opportunities.

Fostering growth, competitiveness, and job creation in Jordan's fledgling knowledge-driven economy will require facilitation of strong partnerships between firms, educational facilities, training institutions, and government at all levels that are dynamic and capable of dramatically improving the economic landscape. Under this IR, USAID will support partnerships that: 1) drive implementation of regulatory and legal changes that improve the business enabling environment, 2) facilitate increased industry-level efficiency and innovation, 3) attract increased investment, and 4) ensure an adequate flow of capital to the nation's most promising industries.

Illustrative Performance Indicators:

- Number of policies, regulations, administrative procedures in development stages of analysis, drafting and consultation, legislative review, approval or implementation as a result of USG assistance
- Number of firms that have successfully accessed bank loans, private equity (or both) as a result of USG assistance (*disaggregated by male- and female-owned businesses*)*
- Score on Competitiveness Index

IR 1.2: Workforce Development and Opportunities for Vulnerable Groups Increased, Especially for the Poor, Women, and Youth

Improving workforce skills in Jordan and increasing opportunities for vulnerable groups that have the potential to greatly impact the economy is necessary to achieve broad-based, inclusive economic development. USAID programs under this IR aim to help ensure that the Jordanian workforce has the requisite skills and other support needed to get jobs and keep them. Workforce development programs will be designed to support growing competitiveness in knowledge-driven industries and to ensure that employment opportunities for vulnerable groups (those living near or below the poverty line, women, and youth) are increased.

While historically the overall quality of Jordan's education system has ranked fairly well, its quality relative to the rest of the world is quickly slipping. The entire system suffers from outdated techniques and technologies. Universities provide little or no career services, such as job placement assistance. Regardless of educational level, employers assert that Jordanians generally lack a number of "soft" skills, such as those related to communications, customer service, and computers. The World Economic Forum also cites "poor work ethic in the national labor force" to be a problematic factor for doing business in Jordan.²² Other studies note a lack of entrepreneurial skills that inhibit the creation and success of new businesses.

Women, youth, and the poor face particular disadvantages related to economic participation. Women, though highly educated relative to other countries in the region, are not able to, or do not, take advantage of economic activities as indicated by a female workforce participation rate

²² <http://www3.weforum.org/docs/GCR2011-12/CountryProfiles/Jordan.pdf>.

of 15.6 percent – which is one of the lowest in the MENA region. This is due to a number of cultural and political constraints, including rising social conservatism, cultural attitudes towards acceptable work for women, and women’s exclusive responsibility for domestic and childcare roles. Efforts to seek gainful employment on the part of Jordanian youth are also frustrated by a number of factors, including: 1) a lack of career counseling and follow-up; 2) a mismatch between existing job training programs and local labor demands as well as insufficient practical training and/or preparation for the job market; 3) a negative attitude among youth about working in certain industries; and, 4) a difficulty in securing work without *wasta* – societal and political connections to those with hiring authority or power.

Under this IR, USAID will facilitate and strengthen partnerships between universities, colleges, vocational training centers, and the private sector to ensure that Jordan’s educational system better meets the demands of firms in the nation’s most competitive sectors and in sectors that are most likely to hire women, youth, and the poor. USAID will also support the formation of Public-Private Partnerships (PPPs) to diagnose and mitigate challenges to increasing workforce participation for youth and women.

Illustrative Performance Indicators (disaggregated by sex, age, and economic status as applicable):*

- Number of persons receiving new or better employment (including better self-employment) as a result of participation in USG-funded workforce development programs*
- Percentage increase in the number of Jordanians employed in vocational jobs typically dominated by imported labor*

IR 1.3: Management of Energy Resources Improved

Jordan is no longer able to rely on a steady supply of cheap natural gas from Egypt given frequent attacks on the pipeline since the start of the Arab Spring, and growing demand for gas in Egypt. The sudden reduction in supply from Egypt has forced Jordan to import diesel and oil which is 3-5 times more expensive than Egyptian gas. As the GOJ subsidizes energy consumption heavily in Jordan, this increase in price has added approximately \$6 billion to GOJ deficits since 2011 and is the main reason behind a 50 percent increase in GOJ debt levels since the start of the Arab Spring.

While the price of oil has gone down significantly and the GOJ has reduced the energy subsidy by an average of 37 percent, NEPCO will still run a deficit of approximately \$1.6 million in 2014. Jordan must find and develop cheaper sources of energy to avoid a fiscal meltdown and to ensure the competitiveness of its industrial base. Towards this end, Jordan is opening a liquefied natural gas terminal in Aqaba in 2015 and is pursuing domestic exploitation of oil shale resources. However more progress must be made.

USAID is promoting development and utilization of renewable resources by: improving the enabling environment in ways that encourage development and use of renewables; working to support commercial applications of renewable technologies that are scalable; and, working with the GOJ to ensure that the grid is capable of supporting renewable energy solutions.

USAID is helping to implement the Jordan Energy Efficiency Roadmap by supporting development of demand side management systems that will reward consumers and utilities for energy savings.

Technical assistance will be provided to the Ministry of Energy and other energy sector actors to improve their capacity to manage Jordan's energy resources efficiently and to ensure that the sector moves towards full cost recovery in the next few years.

Illustrative Performance Indicators:

- Greenhouse gas (GHG) emissions, estimated in metric tons of CO₂e, reduced, sequestered and/or avoided as a result of USG assistance
- Number of entities implementing clean energy measures due to USG assistance

IR 1.4: Fiscal Stability and Public Financial Management Improved

Establishing sound fiscal control in Jordan is critical to economic competitiveness. Even with considerable donor contributions, Jordan faces a severe fiscal crisis. To combat a growing budget deficit in 2010, the GOJ began an aggressive fiscal consolidation policy that included rationalization of exemptions, containment of the public sector wage bill, reductions in capital expenditures, and phasing out of fuel and food subsidies. In January 2011, however, in an attempt to satisfy a restive population, the GOJ reinstated some of the subsidies that it had

USAID/Jordan Cash Transfer Program

USAID will continue to provide an annual cash transfer amounting to approximately 50 percent of the annual OYB to the GOJ in the form of budget support, thereby sustaining creditworthiness and buffering the GOJ's ability to respond to development priorities that cut across all sectors in which USAID works. Depending on Jordan's fiscal situation, the cash transfer might be utilized to pay down eligible, non-military debt or for sector support.

Cash transfers are conditioned on benchmarks that the GOJ agrees to meet prior to the disbursement of funds. These benchmarks, typically in the form of required policy reforms, are identified by a USAID-led Task Force comprised of representatives from USG agencies operating in Jordan and are consistent with the country's own National Agenda and USAID's development objectives. For example, reforms conditioned by the cash transfer will strengthen Jordan's policy framework to improve public financial management, more efficient use of natural resources, and competitiveness.

phased out, including subsidies for basic foods and a reduction in the fuel tax. At the same time, the GOJ counter-productively increased wages and pensions. As a result, the GOJ's budget deficit in 2014 reached almost \$1.7 billion.

Currently, nearly the entire GOJ budget is used for recurrent expenditures such as public salaries and energy subsidies. This leaves almost no money to invest in the kind of R&D, workforce development, and infrastructure needed to support globally competitive industries. Under this IR, USAID will help the GOJ improve its ability to implement reforms that generate new revenue and reduce unnecessary expenditures. By enhancing tax administration, improving public financial management, establishing tighter controls on consumption, and making better use of PPPs, the GOJ will be able to effectively realign its budget priorities to free up fiscal space for new, productive investments in

key sectors. Helping make the budget system more transparent will also decrease opportunities for corruption. This above assistance will build upon USAID's support for fiscal reform, which has been instrumental in helping the GOJ improve efficient use of public resources and revenue

mobilization, as exemplified by the fact that tax revenues increased by 20 percent in the first quarter of 2012. Every effort will be made to ensure that fiscal reforms are gender sensitive and do not unfairly target vulnerable populations.

Illustrative Performance Indicators:

- Level of government debt as a percent of GDP
- Fiscal deficit relative to GDP

DO 2: Democratic Accountability Strengthened

If Jordan is to remain on a steady track to transformational development, consolidate gains in democracy, and improve accountability and stability in line with CDCS goals, it must achieve fundamental changes in governance by supporting fully independent branches of the government and providing multiple pathways for citizen engagement in decision-making on priority issues. The development of strong democratic institutions and the improved capacity for participatory, accountable and transparent governance will form the foundation for advancing Jordan's prosperity and stability.

Strengthened democratic accountability through stronger, more responsive government institutions; improved accountability of the executive branch across key sectors; and, more inclusive and representative governance processes catalyzes advances in sustainable economic growth and prosperity and empower vulnerable groups to advocate for a more equitable distribution of resources (for example water) and employment opportunities – in support of USAID/Jordan's strategic goals.

This will be addressed by supporting Jordanian efforts to enhance government's accountability to citizens within political processes, including at the local level; strengthen the rule of law; and increase the effectiveness of civil society organizations to advocate for their interests, provide services to their members, and participate in political processes. Opportunities to reduce corruption within the political and governance system will be considered and pursued in all program areas where there are openings to make progress in addressing it. Recognizing the presently marginal position of women and youth in the political system, programs under this DO will directly support initiatives to expand their participation and empowerment as critical constituencies.

During 2011, the Jordanian political scene changed significantly in response to both regional developments and a parallel increase in domestic pressures for political reform. Jordanians voiced opposition to what many view as the failure of government to address political and economic needs. Opposition leaders often accompanied this perspective with accusations of government corruption and open criticism of the political system. This was followed by a renewed royal commitment to "political reform," the formation of the National Dialogue Committee, and 41 constitutional amendments of varying importance to reformulate key laws that structure and regulate the political process. Despite these achievements, revisions to the electoral and political framework continue to be contested and implementation of these reforms is still weak.

Nonetheless, recent political developments open opportunities to support a deepening of democratic reforms. Comprehensive democracy and governance assessments affirmed that USAID should continue to support GOJ and Jordanian civil society efforts to expand citizen participation (especially for women and youth), strengthen the rule of law, promote good governance, increase transparency and accountability to combat corruption, and advance human rights. Areas of emphasis will be on supporting Jordan's democracy and governance reform efforts with a broad and comprehensive program centered on strengthening political parties, electoral reform, respect for human rights, judicial independence, and local governance. A core element to achievement of this DO is strengthening of civil society organizations to improve their advocacy and organizational management skills as well as their ability to improve service delivery.

Illustrative Indicators at the DO Level (disaggregated by sex, age, and economic status as applicable):*

- Voice and accountability measure from Worldwide Governance Indicators
- Citizen report card scores on accountability and transparency criteria*
- Country political stability and absence of violence point value score

IR 2.1: Governance Processes and Institutions Improved

Within the past few years, Jordan has witnessed a number of key changes in the policy environment. The May 2007 municipal election law resulted in fully-elected municipal boards (half of which were previously appointed) and record citizen participation in municipal elections. The percentage of female local officials increased dramatically because of the law's 20 percent quota. Also, parliamentary elections in November 2007 and 2010 allowed for local civil society and international observers to monitor the elections for the first time in Jordan's history. However, even given these positive developments, the political system remains largely centralized and public participation in political life is low.

Parliamentary elections in 2013 were the first under the newly adopted Election Law in which voters cast two ballots. One vote is cast for a party list in which candidates are selected through proportional representation in a single nationwide constituency. Another candidate is selected through the old single nontransferable vote system based on local electoral districts. In 2013, international observers noted instances of vote buying and criticized the electoral laws as unfair. Political campaigning was seen as noncompetitive and relatively absent in wide areas of the country due to the overall influence of tribal affiliations, a lack of financing, and boycotting by opposition groups.²³

Assistance in this area will support constitutional and electoral reform, including capacity building support for the Independent Election Commission (IEC) to ensure free and transparent election processes. Furthermore, USAID will support Jordanian-led reforms to broaden and strengthen political participation and accountability, thereby fostering more pluralistic, fair, broad-based, responsive, and representative political leadership and greater competition. Over the strategy period, programs will encourage and assist the opening of political space for young leaders, women, and democratic political parties to participate. The programs will work with existing and new political parties to refine their messages and to build stronger, more inclusive leadership structures, enhance communication mechanisms, and develop recruitment

²³ <https://freedomhouse.org/report/freedom-world/2015/jordan#.VWQk54uUegY>

capacities. Programs will also emphasize accountability and responsiveness of elected officials. Efforts will be made to promote the strengthening of Parliamentary blocs that may serve as a basis for coalition formation on issues of public interest. Additionally, programs will help political parties to promote local branch office development and the establishment of functioning youth and women's committees to engage in electoral processes and political dialogue.

USAID programs will also support the executive and legislative branches in reviewing laws, regulations, and procedures related to political participation, with the aim of identifying gaps and inconsistencies with respect to international best practices. The aim will be to reduce barriers to political participation by all segments of society, especially women and persons with disabilities.

USAID will also support the GOJ and civil society efforts to ensure that the sub-national government is participatory, representative, accountable and effective. This will be achieved through direct support to municipalities and technical directorates of line ministries (Health and Education), as well as through coordinating with and leveraging the efforts of the USAID support to civic initiatives, political processes, rule of law and community engagement.

Work at the municipal level, where citizens are most likely to have day-to-day interaction with government, also provides opportunities for synergies across USAID/Jordan's DOs in support of the CDCS goal of a stable Jordan. Effective communication between the community and local government about citizen needs and efficient and effective response to these demands underpins community-level stability as it reinforces the legitimacy and resilience of the State.

Illustrative Performance Indicators:

- IEC capacity index
- Government effectiveness indicator score

IR 2.2: Rule of Law Strengthened

Assistance in the rule of law area will support GOJ efforts to develop accountability between independent branches of government, thereby expanding opportunities for meaningful citizen engagement in governance and promoting protection of human rights. Over the strategy period, USAID will help Jordan in its efforts to promote balance between the three branches of government. Programs will also work with the legislative body to support its role in policymaking and to perform checks and balances on the executive. At the executive level, accountability will be promoted and technical assistance will be provided to bring about legal and regulatory reforms across the sectors represented by the Mission's portfolio.

Jordan's human rights record continues to be a matter of concern, and particularly with respect to the rights of women. As indicated by numerous reports and studies conducted by the Jordanian National Commission for Women, including "The Progress of Jordanian Women: In Pursuit of Justice, Participation, and Equality 2010-2011," women are not treated equally under the law and violence against them remains a serious issue. Also, access to justice is limited for the poor due to cost of legal representation and lack of free legal services. This is especially true for women who do not control financial resources in the family and thus are unable to access quality representation in court. In addition, gender-based violence is not appropriately or

adequately addressed in the legal system. Practices, such as honor killing or forced sterilization of disabled women, and penal laws, such as a law forcing women to marry those who commit acts of sexual violence against them, contribute to egregious violations of human rights.

In addition to supporting the achievement of an independent judiciary as noted above, activities under this IR will include a focus on improving the legal environment, helping to address a number of gender-specific legal discriminations faced by women and girls (including inheritance, divorce, and child custody), supporting legal aid for victims of human rights abuses, contributing to women's shelters, improving access to justice, and encouraging gender-sensitive practices and perceptions among justice sector personnel.

Illustrative Performance Indicators (disaggregated by sex, age, and economic status as applicable):*

- World Justice Project Index
- Yearly perception survey of the judiciary performance*
- Global Corruption Barometer (Transparency International)

IR 2.3: Civil Society Engagement and Effectiveness Increased

An engaged and effective civil society is critical to Jordan's development and long-term stability. Yet, despite rapid growth in the number of CSOs in recent years, the sector continues to confront serious challenges. Recent studies of civil society in Jordan have noted that examples of effective advocacy and civic engagement remain limited in most fields, with a majority of organizations concentrating on charity and service delivery and few focusing on advocacy, public policy, or gender equality. A variety of factors contribute to this outcome, including weak organizational capacity, an opaque legal and regulatory environment, and limited opportunities and forums for meaningful interaction with state authorities.

USAID programs will reinforce local efforts to promote democratic governance and to expand political pluralism and social inclusion in public affairs. As such, programs under this area will promote a vibrant civil society that has both the political rights and organizational and institutional capacity to play a more effective role in decision-making processes, advocate for citizen rights, and expand opportunities for meaningful civic engagement around key issues spanning the sectors of USAID assistance. To achieve this, efforts to improve the enabling and regulatory environment for CSOs will be supported, national civil society networks will be strengthened, and better linkages will be established between civil society and local governments as a means of promoting citizen engagement in political decision-making. Furthermore, CSO support will increasingly focus on building management capacity to strengthen social service delivery activities of benefiting organizations.

USAID will support organizations that are increasing opportunities for women, youth, and other marginalized groups to participate more fully in social, economic, and political life and building broader social support for gender equality and respect for human rights. Particular attention will be directed towards organizations working with youth to create channels of communication, platforms for participation, and awareness of national issues to maintain stability and effect reform. Work with CSOs will foster a more open operating environment for media, enabling the provision of quality information to citizens. Though media strengthening will not be an end of itself, it will be a means by which to increase engagement of marginalized groups and civil society on issues of public interest.

Illustrative Performance Indicators:

- Number of civic initiatives by assisted CSOs that promote common interests
- Number of assisted CSOs showing improvement on an advocacy index

IR 2.4: Community Cohesion Enhanced

In Jordan, there exist numerous forms of stress and tension at the community level, as well as the potential for those stresses and tensions to result in violent conflict between groups. Currently, conflicts in Jordan occasionally turn violent, including short-term bursts of inter-tribal violence and outbreaks of violence in universities and schools, but have not yet resulted in significant sustained violent conflicts.

In the North, local authorities struggle with the challenges imposed by the quantity of Syrian refugees, and as a result the systemic and capacity deficiencies at the governorate and municipal levels are exacerbated. Local tensions are increasing where there is demand for a more effective sub-national government response. There is heightened pressure on municipalities to deliver more and offer better municipal and social services, address housing deficiencies, infuse local economic development, and support social cohesion of communities. This pressure threatens to result in a breakdown in the ability of Jordanian communities to handle stressors.

Yet in spite of this, Jordanian communities demonstrate a degree of resiliency that should be maximized and strengthened through building cohesion and proactively working to prevent and mitigate conflict.

Institutions and mechanisms at the local level that are seen as a legitimate and effective, that build cohesion and reduce tensions, and that reinforce existing resiliencies – including by providing venues for community engagement (especially for youth) – are important. In addition, discrete activities that enhance existing mechanisms to build consensus, and strengthen the capacity of local leaders (including women and youth) to resolve disputes and handle grievances, are critical to Jordan's long-term resilience and future prosperity.

In this context, USAID and its partners will continue to support a system of governance that has embedded social processes and mechanisms that can effectively and efficiently address community conflicts and issues. USAID activities should bring multiple identity groups together based on common interests to build longstanding relationships that strengthen community cohesion.

USAID activities to support community cohesion include increasing the efforts of civil society and local government to work together to meet the needs of community members, developing local debate and media that is representative, equitable and fair, and strengthening local leadership skills in conflict mediation and negotiation. Furthermore, channels that support positive venues for youth engagement can build long-term resilience against violent conflict and a participative citizenry for Jordan.

Throughout Jordan there is a need for improved quality and quantity of channels that facilitate peaceful resolution of conflicts and tension between groups over access to resources, skills in which USAID will bolster by investing in consensus building and negotiation trainings.

Illustrative Performance Indicators:

- Number of avenues for positive youth engagement
- Number of community-led activities that address identified stressors and mitigate conflict

Illustrative Cross-cutting Indicators (disaggregated by sex, age, and economic status as applicable):*

- Number of vulnerable people with increased access to productive assets as a result of USG assistance* (Economic Development)
- Number of Community Health Committees established and functioning (Health)
- Number of children with equitable access to education in crisis and conflict environments (Education and Youth)
- Number of people with improved water security or improved sanitation services as a direct result of USAID interventions* (Water)
- Proportion of target population reporting increased agreement with the concept that males and females should have equal access to social, economic, and political opportunities* (Gender)

DO 3: Social Sector Quality Improved

Maintaining and improving the standard of living of Jordanians, and thereby promoting stability, will depend on the government's ability to strengthen the delivery and quality of basic essential services, especially those related to health, education, and water – particularly as the population increases.

This DO also recognizes that a government's ability to provide, or otherwise ensure the equitable provision of quality social services is critical to the government's credibility, the nation's stability, the elimination of opportunities for corruption, and eventually the ability of citizens to prosper and build better lives for themselves and their children. USAID will reinforce Jordanian efforts to improve social services in three areas: health, education, and water management. Health and water management were chosen because of the existential threats population growth and water scarcities pose to the country's future if they continue on their current trajectories, as well as the risks a potential health outbreak would pose to the country's economy and stability; and, education was chosen because it is the scaffolding upon which a "knowledge" economy generating broad-based economic growth is built.

Together, improvements in the three social services will help the GOJ strengthen its credibility as painful reforms are taking effect elsewhere in the economy. Moreover, in each of the three areas, USAID will have the common aims of helping Jordanian counterparts to:

- Better realize returns from the investments that are being made;
- Identify and adopt best practices and innovative approaches;

- Adopt improved data management and evidence-based decision-making as a means to increasing accountability; and,
- Strengthen performance in implementing transparent and inclusionary decision-making processes.

Population issues are central to the objective. If the TFR decreases from 3.8 in 2009 to 2.1 in 2030, then the population would only increase to 10.5 million in 2040²⁴, as compared to 13.2 million with constant fertility at 3.8. The difference would substantially ease the burden on Jordan's resources and would assist Jordan to achieve its development goals. Yet these projections were made when the population was at pre-Syrian crisis levels and do not include the approximately 1.4 million registered and unregistered refugees reported by the GOJ. Estimates of the population reported by GOJ officials as of January 2015, including Syrian refugees, range between eight and 10 million. Additionally, Syrian fertility practices differ from Jordanian practices, with a higher TFR in Syria even prior to the crisis. The combination of these factors threatens to increase population growth exponentially higher than the previous projections.

This DO assumes that if Jordanians have access to quality family planning and reproductive health services at an affordable cost and are aware of the benefits of using these services, they will use them. It also assumes that the GOJ has the will to 1) act on its recognition that continued high rates of population growth will have negative implications for its ability to provide employment and quality social services throughout the country, and 2) responsibly marshal the use of the country's scarce natural resources. An increase in voluntary use of modern methods of family planning will directly result in slower population growth and will lead to improved maternal and neonatal health outcomes – both of which will contribute to improved prosperity.

In addition to the importance of population growth to this DO, and as a cross-cutting IR affecting other DOs as well, the GOJ has initiated a renewed focus on the health sector in the past few years, in large part due to the strains that the Syrian crisis is having on the sector. The Ministry of Health's (MOH) Strategic Plan (2013-2017) outlines their top priorities based on the major health issues affecting Jordan. The MOH's top priority is "to provide comprehensive health insurance for all Jordanians in order to improve the health status of the citizens." Additional key issues highlighted in the strategy include the increase in health care costs, the increase in non-communicable diseases along with the spread of emerging communicable diseases, population growth and family planning, and the need for improvement in emergency services and health infrastructure. The GOJ has continued to reinforce these priorities in recent years, and has placed an increasing emphasis on the importance of the health sector, which has been reflected in numerous recent actions, including: His Majesty King Abdullah's speech in November 2014, where he called for inducing "a qualitative leap and radical reform in the health sector;" GOJ's Jordan Response Plan (JRP) for the Syrian Crisis, which was launched in December 2014; and the Higher Health Council's National Health Strategy (launched in January 2015 based on King Abdullah's speech calling for reform in the health sector).

USAID's investments in the health sector will continue to focus on family planning and reproductive health in order to address the increasing population growth, but will also expand in line with GOJ priorities to help respond to the stressors on the health system resulting from the Syrian crisis. A

²⁴ DemProj. A Computer Program for Making Population Projections, Version 4 of the SPECTRUM Suite of Policy Models, developed by the Futures Group under the USAID-funded POLICY Project.

renewed focus on Maternal, Neonatal, and Child Health (MNCH) services and Health Systems Strengthening will help build resilience in the health sector, improve the health status of vulnerable populations, and reduce the risk of potential outbreaks that could further threaten Jordan's stability.

The Mission is supporting the GOJ's Education Reform for a Knowledge Economy (ERfKE) strategy through capacity building of teachers and administrators, and school construction and renovation. Youth-oriented programming will improve services that impart employability and life skills, strengthen professional development, and enhance participation of youth in decision-making processes as a way of improving their communities. Investments in education and youth (both in and out of school) will support accomplishment of results under other DOs through better informed voters, a healthier population, and a more capable workforce.

USAID's investments in the water sector will focus on helping to build the country's institutional and technical capacity to improve management of water resources, especially with respect to water utilities, aquifer conservation management, rationalizing the use of agricultural water, and construction of critical water supply and water treatment infrastructure.

Health activities as well as education interventions will target the poor and vulnerable, including women and people living in underserved areas. Water activities will be focused in areas of greatest water scarcity and/or water use inefficiency. Together, the initiatives represented in this DO will ensure that the necessary public services are available and managed efficiently and accountably to enable Jordan to achieve a high level of development for a rapidly growing population.

Illustrative Indicators at the DO Level (disaggregated by sex, age, and economic status as applicable):*

- Total Fertility Rate*
- Percentage of students entering higher education, vocational training and/or the workforce*
- Number of people with improved water security or improved sanitation services as a direct result of USAID interventions*

IR 3.1: Health Status Improved

Maintaining and improving the standard of living of Jordanians, and thereby promoting stability, will depend on the government's ability to strengthen the delivery and quality of basic essential services, such as health, particularly as the population increases. The government's ability to deliver quality health care services and improve the health status of its citizens will directly contribute to the DO of Improved Social Sector Quality. In line with the GOJ's priorities in the health sector, USAID will support an integrated health services and resiliency (IHSR) program to scale-up and institutionalize the gains made to-date in family planning and reproductive health (FP/RH) and MNCH with a greater emphasis on strengthening health sector capacity and sustainability through the use, in part, of innovative new approaches. The aim will be to improve the overall health status in Jordan by strengthening the health care delivery system as well as the use of quality health services. Efforts will focus – although not exclusively – on increasing the use of FP/RH services in particular, in an effort to slow rapid population growth and ease the strain on limited resources, as well as improve the GOJ's development plans and long-term stability. Under the IHSR program, USAID will work with the public and private sectors, including the GOJ, the commercial private sector, NGOs, and local civil society and

community organizations. Cross-cutting themes will include sustainability and resilience through health systems strengthening, gender and youth engagement.

The dynamic nature of the Syrian crisis and its effect on Jordan's health sector requires USAID/Jordan to build a certain level of flexibility for responsiveness into its future efforts in the sector. Such flexibility will enable the Mission to increase the resilience of the health care system and ensure that it continues to provide high-quality health care services. Consequently, the primary areas of focus will be the increased use of quality health services and improved health sector sustainability and resilience. Integration of activities under these focus areas will yield improved results, increase programmatic efficiency, enhance GOJ's commitment to USAID's programming, and contribute to Jordan's stability.

According to the 2012 Jordan Demographic and Health Survey (DHS), the stalling in the TFR decline is accompanied by a leveling off in the increase in the modern contraceptive prevalence rate (mCPR). The DHS found that the TFR remains high at 3.5, with no statistically significant change from 3.7 in 2007. Although the total CPR improved from 59 percent in 2007 to 61 percent in 2012, the increase was primarily due to an increase in traditional family planning methods (most of which are ineffective), which accounted for 19 percent of the total CPR in 2012. In fact, modern CPR has remained stagnant at approximately 42 percent since 2002. Unmet need for family planning was almost 12 percent. Increasing the mCPR and thus decreasing the TFR is critical to slowing Jordan's population growth rate.

Jordan's high population growth rate is already constraining the country's ability to achieve socio-economic progress and maintain stability. Yet despite the challenges facing Jordan resulting from rapid population growth, the GOJ still has not consistently incorporated population growth into budgeting and planning in many sectors. Population growth is well-recognized as a cross-cutting concern that affects many sectors, but further efforts are needed to have an impact on population growth and prevent the negative effects it can pose to Jordan.

USAID's technical teams, through a newly established cross-cutting sub-IR "*Impacts of rapid population growth alleviated and/or mitigated*," will collaborate with Jordanian individuals, organizations, and government institutions in more effective ways to elevate the discussion of the impact of rapid population growth on development beyond the health sector and into the broader decision-making arena at the national level. USAID will reinforce Jordanian efforts to improve the enabling environment at the household level by supporting activities that educate families (men and women) on the effect of population growth on Jordan's future. For example, better educated youth will have more economic opportunities, make healthier lifestyle choices, and plan better for their future, understanding the economic benefits of smaller vs. larger families. As women become more empowered to enter the workforce, they are more likely to practice birth spacing and utilize more resources for the family's well-being. And as communities begin to better understand the impact of population growth on scarce natural resources such as water and energy, they may become more likely to conserve the limited resources for future generations of children.

Illustrative Performance Indicators (disaggregated by age and economic status as applicable):*

- Modern Contraceptive Prevalence Rate (mCPR)*
- Maternal Mortality Ratio (MMR)*
- Infant Mortality Rate (NMR)*

Illustrative Cross-cutting Indicators (disaggregated by sex, age, and economic status as applicable):*

- Number of women-owned businesses financed (Economic Development)
- Number of youth participating in formal and non-formal education* (Education and Youth)
- Proportion of target population reporting increased agreement with the concept that males and females should have equal access to social, economic, and political opportunities* (Gender)

IR 3.2: Learning Outcomes for all Students Improved

Fundamental to national development is the government's ability to fulfill its citizens' right to quality public education. Given the systemic challenges that Jordan continues to face in providing a quality education that offers relevant skill development opportunities for its students to succeed in life and work, USAID will focus on helping to improve the quality of public education in strategic areas on a national scale. The three primary areas of focus include building the MOE's capacity to implement reforms that result in better student learning outcomes in the early grades; improving learning environments, including infrastructure improvements, to change attitudes and behaviors within schools to keep students engaged and learning; and, enhancing the relevance of educational programs for secondary students and recent drop outs so that they are better prepared for work and life in a knowledge-based economy. The implicit development hypothesis within IR 3.2 is that if learning outcomes for all students are improved, then social sector quality will be improved as well, ultimately leading to a more prosperous, equitable Kingdom whose schools are held accountable by parents and students.

The MOE has allowed Syrian refugee students to attend public schools, serving a vital humanitarian need. Most Syrian students currently attend school in a second afternoon shift. Given recent trends in expected timeframes that refugees are anticipated to reside in Jordan, it is likely that a Syrian refugee starting school this year will finish secondary school in Jordan. Thus, there is a huge opportunity for schools to become places for Jordanians and Syrians to learn together and have equitable quality in public schooling, and where Syrian children can begin to recover from the trauma of conflict they have escaped, and learn side-by-side with their Jordanian neighbors.

While access to schools is not a major problem in Jordan, improving the quality of education for students is. Students need to gain fundamental skills for higher order thinking in secondary and post-secondary education and ultimately for work and life. USAID will focus interventions to address the gaps and weaknesses in teacher and administrative capacity. USAID will improve critical thinking skills for youth, and fundamental skills in the early grades to ensure that students start with a strong educational foundation. Assistance will focus on operationalizing policies and systems that will elevate the teaching profession through the reform of teacher hiring, promotion, and incentive and ranking systems. Further, while gender parity has been achieved in Jordan, girls and boys face unique obstacles during their academic career. USAID will work to reduce the culture of violence that often permeates boy's schools, while also providing more options to girls who are confronted with restrictive attitudes of what is permissible both inside and outside the classroom walls. USAID will focus on the provision of better opportunities for youth both in and out of school to acquire life skills that are needed to

successfully transition to the workforce, and career counseling based on aptitude and interest rather than on gender-stereotypes.

Furthermore, USAID/Jordan, through a newly established cross-cutting IR “Opportunity, well-being, and civic engagement for youth improved,” recognizes the tremendous potential youth hold in guiding the developmental agenda of Jordan. The Mission has taken to heart several key messages from USAID’s Youth in Development Policy. First and foremost, youth are defined as being between the broad cohort of 10 and 29. This recognizes that a youth’s development begins at an early age, and continues well into a youth’s late twenties. It also acknowledges that the traditional transition from school to work is less and less frequent – youth work while they are in school, and youth pursue educational opportunities even after finding work. Positive youth development is also more than simply moving through school and finding a job. It necessitates healthy behavior choices, while having a sense of belonging to the community.

Illustrative Performance Indicators (disaggregated by sex, age, and economic status as applicable):*

- Proportion of students who, by the end of two grades of primary schooling, demonstrate that they can read and understand the meaning of grade level text*
- Number of students benefitting from USG infrastructure improvements*
- Number of youth participating in formal and non-formal education*

Illustrative Cross-cutting Indicators (disaggregated by sex, age, and economic status as applicable):*

- Number of persons receiving new or better employment (including better self-employment) as a result of participation in USG-funded workforce development programs* (Economic Development)
- Number of venues for positive youth engagement (Democracy and Governance)
- Number of youth who have participated in trainings/workshops/awareness-raising events to increase knowledge or skills in reproductive health/family planning* (Health)
- Percent change in level of knowledge and understanding of gender equality principles and women’s rights among residents* (Gender)

IR 3.3: Accountable, Sustainable Management of Water and Natural Resources Increased

Despite the fact that Jordan has one of the best water treatment and delivery systems in the region, providing safe water to more than 98 percent of Jordanians and demands of a growing population, the continuing impact of the influx of Syrian refugees, and a growing economy, combined with inefficient agricultural use, are causing rapid depletion of groundwater and forcing a shift to expensive desalination and water transfers from remote areas. Annual per capita water availability has declined from 3,600 m³ in 1946 to 147 m³ today. If supply remains constant, per capita domestic consumption is projected to fall to approximately 90 m³ per person per year by 2025 and the water deficit for all uses will grow from about 160 MCM in 2015 to 490 MCM by the year 2025, putting Jordan in the category of having an absolute water shortage. USAID’s work in the water sector will help strengthen the GOJ’s ability to maintain and equitably deliver a sustainable water supply, ensure that social cohesion is not ruptured by water-related conflicts or health epidemics, and contribute to reinforcing the government’s credibility as a provider of essential basic social services.

Because Jordan's water security is vital to its stability, USAID will help build management capacity and physical improvements to reduce non-revenue water (defined as water lost to leaks or not paid for); work with the GOJ to plan, design, build, and maintain water and wastewater infrastructure; support efforts to improve the fairness and effectiveness of policies and institutions in the urban and agricultural water sectors; and foster improved management of groundwater through monitoring, heightened public awareness, increased efficiency of water use (especially in the agricultural sector), and stronger enforcement measures. USAID's very successful 25 year Public Private Partnership (PPP) investment in the As-Samra Wastewater Treatment plant (2008), now being expanded with support from the Millennium Challenge Corporation (2015), provides an excellent model for incentivizing the GOJ to adopt more sustainable solutions through co-investment with the private sector in above mentioned infrastructure.

In addition, enhancing Jordan's environmental and natural resource management, particularly its ability to manage its burgeoning solid waste problem and its ability to better manage its protected areas, will not only improve the well-being of Jordanians, but also increase community stability, and enhance the investment environment. Addressing these challenging environmental issues requires implementing solutions that cut across a number of DOs within the Mission, in particular by working with municipalities and communities on these environmental issues we will directly support DO 2 (IRs 2.1 and 2.4) and assist local entities to respond to citizens demands to deliver basic services.

Illustrative Performance Indicators:

- Percent change in gross revenue in the Jordan water sector
- Percent change of non-revenue water in Jordan
- Number of policies, regulations, and administrative procedures relating to water and natural resources in development, passed, or being implemented as a result of USG assistance

Special DO 4: Gender Equality and Female Empowerment Enhanced

The premise of this SDO is that female empowerment and gender equality will be enhanced as changes in discriminatory social norms and practices are promoted, advocacy and policy reforms for women's issues are enhanced, and access to female-centered services are expanded.

Achievement of this SDO will not only support the overarching strategic goal of promoting equality, but also will lead to improved prosperity, as higher levels of female participation in the labor force will increase economic growth at the macro level and household security at the micro level. As economic status of women is elevated, there will also be positive effects on family health, participation of women in other aspects of household decision-making, and women's participation and gender balance in community and civic life.

Although women in Jordan have achieved significant improvements in their political, economic, and social lives in recent decades, discriminatory policies and perceptions towards them persist, and significant inequalities exist between communities and geographic areas. Traditional attitudes and inequities limit women's participation in civil society and political life, especially in rural areas. Despite constitutional reform and recent policy and legal reforms, in practice women lack stature as citizens and most interact with the state through male relatives. Broad-

based legal and policy barriers that shape perceptions and limit various aspects of women's lives, including female participation in the economy, require focused attention to improve women's and girls' quality of life. Civil society organizations and women's groups struggle to improve women's legal and social status, but their effectiveness is constrained by limitations of organizational capacity and a constitutional framework that does not guarantee gender equality. Gender-based violence (GBV) remains pervasive and largely under-addressed.

Furthermore, considering recent and ongoing demographic changes that Jordan is experiencing, namely with the influx of refugees, it is important to acknowledge the potential impact on culture such changes bring. Preliminary reports suggest that GBV, early child marriage and temporary and/or forced marriage, and child labor have manifested themselves in significant ways for many Syrian refugees, especially women and children who have been separated from their husbands or families.²⁵ This situation is, by extension, impacting the communities hosting them. In addition, with the substantial increases in the number of refugees, there are concerns of the potential for transfusion of cultural practices and norms and their positive and negative impact on Jordanian society.

It is important to highlight the cross-cutting nature of this SDO. The SDO will support and complement the other DOs through stand-alone results. At the same time, strategies to achieve female empowerment and gender equality across sectors will be integrated into the other DOs, and results will be captured under this SDO. Therefore, work on gender will encompass the Missions' work on a cross-cutting level as well as stand-alone gender activities. Evidence from around the world and across cultures shows increasing gender equality promotes democratic governance and long-term stability. This SDO contributes directly to the overall goal of the Mission by recognizing that no country can realize its potential if half its population cannot reach theirs. A growing body of evidence shows that women's political and economic empowerment are critical to fostering international peace and security, growing vibrant market economies, and supporting open and accountable governance. To this end, the SDO complements interventions integrated into the other DOs to reduce gender gaps and increase female empowerment by focusing on behavioral change, advocacy and policy reforms informed by in-depth research.

The interventions to be pursued will help advance the Agency's goals under its *Gender Equality and Female Empowerment Policy* of reducing gender disparities and increasing the capability of women and girls to realize their rights; determine their life outcomes; and influence decision-making in households, communities, and society at large. Efforts will also contribute to the goals of the *U.S. National Action Plan on Women, Peace and Security* and the Secretary of State's Policy Guidance on *Promoting Gender Equality* to reduce gaps between women and men and girls and boys. Through responsiveness to the needs and interests identified by Jordanian women, the Mission will reach out to areas outside of Amman to respond to local needs. Furthermore, the Mission will support efforts to incorporate identified constraints to gender equality and female empowerment into policy discussions and decision-making processes at the national level, thus making GOJ and CSO entities more accountable and responsive to women across Jordan.

²⁵ UN Women. "Inter-agency assessment Gender-based Violence and Child Protection among Syrian refugees in Jordan, with a focus on Early Marriage," UN Women, July 2013.

Illustrative Indicators at the DO Level (disaggregated by sex, age, and economic status as applicable):*

- Gender Gap Index
- Proportion of target population reporting increased agreement with the concept that males and females should have equal access to social, economic, and political opportunities*
- Percentage of target population that views gender-based violence as less acceptable after participating in or being exposed to USG programming*

IR 4.1: Changes in Discriminatory Social Norms and Practices Promoted/Encouraged

Social change occurs through dialogue and social agreement on what is acceptable and appropriate. Jordanian communities, men, youth, women's rights activists, and cultural and religious leaders have few regional or national fora in which to engage in discourse about gender inequality and the impacts and social effects of this inequality.

Under this IR, USAID will support interventions to raise awareness of critical gender-specific issues and opportunities at the community level; create broad-based support for policies and laws that promote gender equality and female empowerment; and facilitate community action to advance the status of women at the family, community, and national levels. Community-level activism efforts will focus especially on issues such as: 1) encouraging acceptance of female employment; 2) eliminating stereotyping and promoting the idea that women can be effective partners and decision-makers at the family, community, and national level; 3) changing attitudes and perceptions that women are dependents in need of protection and that they are unequal partners; 4) promoting the leadership of female activists, especially in rural areas; 5) providing opportunities for activists and experts to interact with men to raise men's understanding of gender-related implications of various aspects of daily life (e.g., family relations, access to financial resources, decision-making, inheritance, early marriage, freedom of movement for women, and divorce law); and, 6) combating gender-based violence, especially sexual harassment and honor killing. Support will also be provided to highlight female role models, men, and community and religious leaders who advocate for women's rights. Findings from targeted, in-depth research and analyses – especially related to legal, regulatory, and cultural barriers to women's participation in the economy and politics – will provide the necessary evidence-based recommendations to enable the GOJ and USAID to make significant advances in changing social norms and practices toward women. Special attention will be paid to behavioral changes that have resulted from demographic changes (refugees, youth, etc.) that have transfused into local community cultures both positively and negatively.

Illustrative Performance Indicators (disaggregated by sex, age, and economic status as applicable):*

- Percent change in level of knowledge and understanding of gender equality principles and women's rights among residents*
- Number of USG-supported community meetings that expand social dialogue on gender equality

Illustrative Cross-cutting Indicators (disaggregated by sex, age, and economic status as applicable):*

- Number of participants in USG-funded activities aimed at enhancing public participation or improving public skills* (Democracy and Governance)

- Number of social and behavior change communication activities targeting men (disaggregated by type) (Health)

IR 4.2: Advocacy and Policy Reforms Enhanced

A national strategy for women is in place, and the Jordanian National Commission for Women, in partnership with several ministries, is at the forefront of reform and is playing an active role in deepening women's rights. Yet, there remains a lack of sufficient awareness, resources, capacities, and practices within government institutions, weakening the effective implementation of this strategy. Similarly, CSOs active in changing social and legal barriers to gender equality suffer from the same challenges facing all CSOs in Jordan. They have varying levels of organizational management, leadership, and advocacy skills, and capacity building and accountability within CSOs is needed to build the long-term sustainability of these organizations. Many Amman-based CSOs also lack credibility beyond the capital and are limited in their ability to represent a broad spectrum of Jordanian women.

Activities under this IR will collaborate and coordinate with the three DOs above to build the capacity of government and non-governmental organizations to be more effective advocates for women, to create opportunities for women to participate more fully in social and economic life, and to build broader social support for gender equality and respect for human rights. Activities also will strengthen institutional structures, build the political capacity and leadership skills of women to lead reform, and facilitate networking amongst women's organizations and CSOs that address gender inequality.

Illustrative Performance Indicators:

- Number of laws, policies, or procedures drafted, proposed or adopted to promote gender equality at the regional, national or local level
- Percent of target CSOs advocating for gender equitable legal and regulatory reform

Illustrative Cross-cutting Indicators:

- Number of CSOs receiving USG assistance engaged in advocacy interventions (Democracy and Governance)

IR 4.3: Access to Women- and Girl-Centered Services Expanded

As a means of “reducing gender disparities in access to, control over, and benefit from resources, wealth, opportunities, and services,”²⁶ support will be provided, potentially through small grants to local organizations, to respond to local needs for community-based “safe spaces” in which women and girls can learn new skills (e.g., reading and numeracy); participate in livelihood options (e.g., group saving or micro-finance programs); obtain life skills support (e.g., parenting skills and coping with stress); build confidence to participate meaningfully in civic, political, and economic spheres at the national and community level; receive legal referrals and services when faced with gender-based violence; meet with other women to find role models for women's empowerment; and encourage changes in social norms and practices for more equitable participation of women. The result of these efforts is to empower women at the local level to engage more fully within their communities and subsequently play a more effective role

²⁶ USAID Policy on Gender Equality and Female Empowerment, 2012.

in identifying approaches and recommendations and bringing to life initiatives that advance the status of women in all communities across all social spectrums.

Illustrative Performance Indicators (disaggregated by sex, age, and economic status as applicable):*

- Number of women and girls benefitting from new or improved USG-supported women and girl centered services*
- Number of people reached by a USG-funded intervention providing GBV services*

Illustrative Cross-cutting Indicators (disaggregated by sex, age, and economic status as applicable):*

- Number of vulnerable people with increased access to productive assets as a result of USG assistance* (Economic Development)
- Percentage of at-risk students completing secondary school* (Education and Youth)

Cross-Cutting Results

USAID has identified four results that will contribute to the achievement of the CDCS goal: gender equality, youth well-being and engagement, enhancing community cohesion, and alleviation of population growth impacts. The implicit development hypothesis governing these three results is that without multiple interventions using different technical approaches to focus on priority emerging issues, USAID will not see a significant developmental impact. To ensure accountability and effective management of these cross-cutting results, each result will be “housed” under a particular DO or IR within the Mission’s Results Framework with the relevant technical team leading the Mission’s collaborative efforts to achieving targets articulated under these results. To operationalize the cross-cutting results and ensure that they are robustly integrated into the Mission’s portfolio, indicators from different DOs, as applicable, will be identified and articulated in the Mission’s Performance Management Plan (PMP) to track and measure progress towards the achievement of these results.

Critical Assumptions and Risks

As the Arab Spring, the disruptions to Jordan’s energy supply, the rise of ISIS, the Syrian refugee crisis, and other events have demonstrated, there are few safe assumptions one can make in the Middle East region. Given the unpredictable and often rapidly changing environment, USAID intends to pay close attention to assumptions on a project-by-project basis. Assumptions, risks, and USAID responses will be reviewed and/or mitigated on a continuous basis for all DOs at the time that portfolio reviews are performed, and programmatic course corrections will be taken.

For the purposes of this strategy, the following assumptions have been made:

- Despite continued fragility in the regional political environment, Jordan will remain free of severe conflict.
- Global economic recovery will continue at a slow but steady pace; Jordan will continue to find new markets for its products in the Gulf Cooperation Council, Africa, and Asia.
- The GOJ will maintain broad political will to pursue policies and reforms that are aligned with the goal of achieving sustainable and broad-based economic growth and political stability.

- Jordan will continue to find ways to navigate difficulties presented by regional events.
- Behavioral changes, such as increased acceptance of and adoption of family planning methods and female employment, will be accepted by the general population.
- The GOJ will make progress in building accountability and transparency into the governance of its systems to address citizen demands for the elimination of corruption and improved delivery of social services.
- With increased influx of refugees and energy prices, Jordan will continue to implement reforms that will generate fiscal balance on both the revenue and expenditure fronts, including by addressing unsustainable subsidies.
- The GOJ and energy utilities will commit to a 10-year demand-side energy management program.
- Prices of renewable energy technologies will continue to fall relative to fossil fuels.
- The GOJ will maintain and increase its commitment at the very highest levels to address population growth, accompanied by increased resources for this high priority.
- The MOE will remain committed to carrying out education reform efforts more effectively, including creating institutional capacity to implement policies and enhance professional development of teachers and administrators to act as change agents.
- The GOJ will raise water tariffs and challenge the parties responsible for the most wasteful agricultural water use in Jordan.
- The GOJ will undertake more efficient management and reallocation of water resources, including promoting high-value household and industrial uses to help delay and decrease the need for costly new infrastructure.
- A steady level of development assistance will be forthcoming in the next few years from Jordan's allies, public international organizations, and non-governmental organizations to complement USAID's efforts.
- Women will enter the workforce once obstacles to their participation are overcome.

Monitoring and Evaluation Plan

Monitoring and evaluation (M&E) forms a critical component of USAID/Jordan's development approach. Through rigorous M&E efforts USAID/Jordan will assess and improve the results of programs, justify assistance resources with empirical evidence and data, and demonstrate a commitment to accountability and transparency. Further, through consultations with other donors and stakeholders in Jordan as well as the GOJ, USAID/Jordan endeavors to share lessons learned and information to make U.S. development assistance in the country more effective.

Throughout the preceding CDCS narrative, proposed indicators were included by DO to illustrate the specific results to which the individual DOs, IRs, and their activities will contribute. Proposed indicators were also included to illustrate how interventions under different DOs will contribute to the achievement of the cross-cutting IRs. Performance evaluations of major projects will be used to adapt activities to better achieve results and to identify areas of cross-sectoral collaboration. In addition, impact evaluations will be employed to assess broader level sectoral results.

Annex 1: Monitoring and Evaluation Planning

Technical offices in the Mission will continue to engage in rigorous monitoring of Mission projects and activities by using a number of methods to collect, verify, and report data. Project quarterly reports; meetings with implementers, beneficiaries, and stakeholders; site visits; and data quality assessments will enable the Mission to collect data and verify data quality and also to triangulate these efforts when possible. Portfolio reviews and annual Performance Plan and Report preparation and review will provide fora to analyze data, review achievements and shortfalls, and make management decisions and adjustments to activities when necessary. Finally, the Mission is rolling out a performance management information system to collect and analyze performance data and generate reports to improve evidence-based decision-making and share lessons learned.

Illustrative Performance Indicators

Illustrative performance indicators are found in the main body of the CDCS. These indicators were refined based on past experience and through a rigorous consultative process. For performance indicators, the Mission will establish baselines, and set the targets and time-bound benchmarks needed to meet CDCS goals as it finalizes the Mission Performance Management Plan (PMP). In an effort to operationalize the implementation of cross-cutting IRs, the Mission's PMP will also include indicators identified under each DO and IR, as applicable, that contribute to the achievement of the cross-cutting IRs.

Performance and Impact Evaluation

USAID/Jordan's evaluation plan is included in the Mission's PMP. Illustrative evaluation questions for each DO (and each IR under DO 3) are as follows:

DO 1: Broad-based, Inclusive Economic Development Accelerated:

In order to effectively assess the success of USAID's economic growth interventions, the Mission will utilize a holistic approach to evaluating the achievement of DO 1's IRs, which will enable the Mission to aggregate the impact of the interventions on achieving the Mission Goal. Performance evaluations will focus on gathering empirical evidence from related activities to answer the following key macro-level questions:

- What is the impact of USAID's program on private sector competitiveness?
- What is the impact of USAID's program on management of energy efficiency and diversification?
- What is the impact of USAID's program on fiscal stability and public financial management?

An impact evaluation under this DO will measure the effect of USAID's interventions on creating new or better employment opportunities for Jordanians. Potential questions could include:

- Did USAID's interventions enable Jordan's private sector to create new jobs?

- Was there an increase in the number of Jordanians taking up new or better employment as a result of USAID's interventions?
- Have USAID's interventions been able to support vulnerable populations, like youth and women, in attaining new or better employment?

DO 2: Democratic Accountability Strengthened:

A performance evaluation under this DO will be considered for the interventions related to civil society in order to assess the impact of current approaches. The evaluation will enable the Mission to build on recent successes and identify areas that require further attention to elevate results. The evaluation will answer questions such as:

- How has the level of competency and capacity of CSOs increased due to USAID assistance? Do civil society organizations receiving USAID capacity-building assistance score higher on an Organizational Capacity Assessment than do those of a comparison group that did not receive similar support?
- What methods employed worked best or least to build capacity in the Jordanian context?

DO 3: Social Sector Quality Improved:

IR 3.1: Health Status Improved

The demographic and health survey is carried out regularly and will serve as the basis for an impact evaluation of the population and family planning program. The survey will address the following impact indicators:

- To what extent has the program contributed to a decline in the total fertility rate?
- To what extent has the program contributed to increased contraceptive prevalence rates?
- To what extent has the program contributed to a decline in the maternal mortality ratio?
- To what extent has the program contributed to a decline in infant mortality rates?

Specific research questions could include the following:

- Did the contraceptive prevalence rate increase as planned from baseline to end-of-project?
- To what extent have discontinuation rates for use of modern contraceptives decreased from the baseline?
- Did women's attitudes regarding desired family size change from the baseline?
- Did spacing between births increase from the baseline?
- Did son preference decrease from the baseline?
- Did women's autonomy, empowerment, and mobility improve to make health decisions and seek health care without requiring permission by husbands or family?

IR 3.2: Learning Outcomes for All Students in Jordan Improved

An impact evaluation at the IR level will measure the attribution of several distinct activities that improve student learning outcomes. A possible question to be answered by such an evaluation is:

- Do investments in early grade learning result in greater learning outcomes throughout a student's academic career?

USAID/Jordan also intends on measuring the assistance it provides to youth under the cross-cutting sub-IR: Improved opportunity, well-being and civic engagement for youth. This sub-IR lends itself particularly well to a performance evaluation, as several offices will be contributing towards its achievement, including the Economic Development, Democracy and Governance, and Health offices. A possible question to be answered is:

- What are the development differences between youth not participating in USAID activities, youth participating in a singular activity, and youth benefiting from multiple activities from different DOs?

A performance evaluation addressing this question will allow the mission to make better decisions in the future with regard to cross-sectoral programming that address youth. In addition, a key ongoing research question that will be addressed is whether improved learning environments result in enhanced student achievement, as the hypothesis for this sector states.

IR 3.3: Accountable, Sustainable Management of Water Resources Increased

A comprehensive evaluation was completed in preparation of developing the CDCS on the past ten years of USAID's support in the water sector. This effort will not be repeated, but will be used as a reference for future efforts. In order to effectively assess the effectiveness of USAID's water-related interventions, the Mission could focus a potential performance evaluation on answering the following three key questions:

- What is the effect of USAID's water-related interventions on improving the performance of utilities?
- Has USAID's promotion of technologies and water-conservation practices led to increased conservation of water? And if so, to what extent?
- How effective has USAID's water-related support been in helping the GOJ improve the policy environment and its institutional capacity to successfully advocate and implement policies to improve water cost recovery, management, and the allocation of sufficient budget for O&M and priority infrastructure?

An impact evaluation should review the progress the GOJ has made on national-level indicators which USAID seeks to impact. Specific research questions could include one of the following as feasible:

- What impact has USAID's management and infrastructure support had on reducing water losses, increasing revenues and improving cost recovery (in other words improved sustainability of the water sector?)

SDO 4: Gender Equality and Female Empowerment Enhanced:

The main objective of the SDO is to decrease the gaps between men and women, and empower women to enable them to have an equal role in making decisions about their future. To this end, a performance evaluation would answer the following questions:

- To what extent have men and women's attitudes changed toward the concept that males and females should have equal access to resources and opportunities?
- To what extent did exposure to social dialogue on gender equality effect positive or negative changes in attitude toward male and female equality?
- To what extent has addressing gender gaps contributed to achieving USAID's goals for expanding economic opportunities, increasing citizen participation, improving educational outcomes and achieving more sustainable population growth?
- To what extent has women's increased economic participation resulted in empowering them to be actively engaged in decision-making processes at the family and community levels?

Annex 2: Amendments

The USAID/Jordan amendment process began in November 2014 with a mission-wide retreat. DO teams discussed the changing development landscape and identified issues it felt needed more exposure. The following list summarizes the core amendments made to the USAID/Jordan CDCS.

- The development context was updated, including:
 - Relevant updates to the GOJ economy, governance, health and population, education, water, and gender equality; and,
 - An updated development context for all sectors that takes into account the influx of Syrian refugees.
- Three cross-cutting intermediate results were added:
 - Opportunity, well-being, and civic engagement for youth improved;
 - Community cohesion enhanced; and,
 - Impacts of rapid population growth alleviated and/or mitigated.
- Monitoring and evaluation plans for each DO were updated, including:
 - New evaluation questions (where necessary) based on a changing development context.

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²⁷ USAID assessments conducted for or referenced in developing the CDCS are marked with an asterisk.

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