



MINISTRY OF PLANNING &
INTERNATIONAL COOPERATION



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JORDAN

INTEGRATED FINANCING STRATEGY FOR SUSTAINABLE LAND MANAGEMENT IN JORDAN

FINAL REPORT

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ABBREVIATIONS

ACC	Agricultural Credit Corporation
AFD	Agence Française de Développement
BMEO	British Middle East Office
BRDC	Badia Research and Development Centre
CBA	Cost Benefit Analysis
CBO	Community Based Organization
CDM	Clean Development Mechanism
CIDA	Canadian International Development Agency
COP	Conference of the Parties
CRIC	Committee for the Review of the Implementation of the Convention
CSR	Corporate Social Responsibility
DEF	Development Employment Fund
EIA	Environmental Impact Assessment
EIB	European Investment Bank
EPP	Enhanced Productivity Projects
FAO	Food and Agricultural Organization
GBD	General Budget Department
GDP	Gross Domestic Product
GEF	Global Environmental Facility
GM	Global Mechanism
GOJ	Government of Jordan
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
HUDC	Housing and Urban Development Corporation
IFAD	International Fund for Agriculture Development
IFS	Integrated Financing Strategy
IMF	International Monetary Fund
IMS	Information Management System
IPI	Independent Public Institution
IUCN	The World Conservation Union
JEF	Jordan Environment Fund
JES	Jordan Environment Society
JREEF	Jordan Renewable Energy and Energy Efficiency Fund
JVA	Jordan Valley Authority
KfW	Kreditanstalt für Wiederaufbau
KPI	Key Performance Indicators
LDP	Local Development Plans
M&E	Monitoring and Evaluation
MDG's	Millennium Development Goals
MEMR	Ministry of Energy and Mineral Resources
MOA	Ministry of Agriculture
MOE	Ministry of Environment
MOF	Ministry of Finance

MOI	Ministry of Interior
MOJ	Ministry of Justice
MOMA	Ministry of Municipal Affairs
MOPI	Ministry of Planning and International Cooperation
MOSD	Ministry of Social Development
MOU	Memorandum of Understanding
MPWH	Ministry of Public Works and Housing
MWI	Ministry of Water and Irrigation
NAP	National Strategy and Action Plan to Combat Desertification
NBSAP	The Jordanian National Biodiversity Strategy and Action Plan
NCARE	National Centre for Agricultural Research and Extension
NCCD	National Committee for Combating Desertification
NCSA	National Capacity Self Assessment for Global Environmental Management
NEAP	The National Environmental Action Plan
NES	National Environmental Strategy
NES	National Environmental Strategy
NGO	Non-governmental Organization
NRA	National Resources Authority
NSAD	National Strategy for Agricultural Development
OPEC	Organization of Petroleum Exporting Countries
PM	Prime Minister
POP	Persistent Organic Pollutants
PPP	Policies, Plans and Programs
RJGC	Royal Jordanian Geographical Centre
ROB	Results Oriented Budget
RSCN	The Royal Society for the Conservation of Nature
SABEQ	Sustainable Achievement of Business Expansion and Quality
SAIC	Spanish Agency for International Cooperation
SCCF	Special Climate Change Fund
SIDA	Swedish International Development Cooperation Agency
SLM	Sustainable Land Management
SPP	Social Productivity Projects
SRAP	Sub-regional Action Programs
SWOT	Strengths, Weaknesses, Opportunities and Threats
TDR's	Tradable Development Rights
TOR's	Terms of Reference
TOT	Training of Trainers
UNCBD	United Nations Convention on Biodiversity
UNCC	United Nations Compensation Commission
UNCCD	United Nations Convention for Combating Desertification
UNCED	United Nations Conference on Environment and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific & Cultural Organization

UNETAP	United Nations Expanded Technical Assistance Program
UNFCCC	United Nations Framework Convention on Climate Change
UNIFEM	United Nations Development Fund for Women
UNODC	United Nations Office on Drugs and Crime
USAID	United States Agency for International Development
WAJ	Water Authority of Jordan
WHO	World Health Organization
WTO	World Tourism Organization
WWF	World Wildlife Fund

*Give man a fish and you feed him for one day.
Teach a man to fish and you feed him for lifetime.
Chinese proverb*

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MOPIC, MOE, GM, CC and ELARD would like to extend their gratitude to all stakeholders that have actively and constructively participated in the development of this strategy. It is such a participation and commitment that has allowed the preparation of a strategy reflecting the needs of the country to enhance mobilization of resources for sustainable land management and combating desertification. This participation and commitment will again translate in an effective and efficient implementation of the strategy.

EXECUTIVE SUMMARY

The Hashemite Kingdom of Jordan is a signatory to the United Nations Convention to Combat Desertification (UNCCD) and concluded in June 2006 the National Strategy and Action Plan to Combat Desertification (NAP). In October 2008, the NAP was finally endorsed by the Cabinet marking a milestone in the Jordan's efforts to fight desertification.

Nevertheless, several constraints are hindering the full implementation of the UNCCD in general, and NAP implementation in particular. These include environmental, institutional, socio-economic, and financial constraints. Within this context, the Global Mechanism (GM) of the UNCCD and the Ministry of Planning and International Cooperation (MOPIC), in partnership with the Ministry of Environment (MOE), entered into an agreement in November 2004 for use of a grant from the GM to support Jordan in implementing its commitments towards UNCCD.

A major undertaking under this agreement is the development of an **Integrated Financing Strategy (IFS)**. The IFS concept was born from the evolving processes in the international financing contexts, which prompted the GM to adopt an innovative approach centred on mainstreaming UNCCD issues into development programming processes. The GM's approach is based on strengthening its longer-term commitments to interested country partners and increase its support to the analysis and synthesis of UNCCD implementation processes, the application of instruments such as NAP's and relevant strategic issues. The GM's new approach was presented and approved at the UNCCD's 7th Conference of the Parties (COP) held in Nairobi in October of 2005.

The GM has elaborated the IFS as an instrument to support governments in mobilizing financial resources for UNCCD implementation at the country level. Specifically, as stated in GM's report to the COP7, the integrated financing strategies are meant to "contribute to broadening the scope of planning processes beyond specific sectors and include comprehensive coordinating arrangements between different financing sources, instruments and mechanisms". Their objective is to improve the investment climate and create a stable, predictable and enabling environment to ultimately increase investments in sustainable land management.

Mainstreaming sustainable land management (SLM) into national policies and strategies, as well as regulatory, planning and budgetary processes is instrumental for securing resources for UNCCD implementation. Mainstreaming enables affected countries to take into account UNCCD principles, NAP objectives and UNCCD-related priority activities in all relevant national policies and strategies with the objective to integrate sustainable land management into overarching development frameworks.

The IFS is a **guiding framework** for locating and developing a mix of financial resources to fund SLM-related programs and projects. While helping to develop the appropriate blend of funds – namely internal, external and innovative – the strategy also uncovers potential barriers in resource identification, allocation, and disbursement. It highlights aspects in the policy, fiscal, legal, institutional, and human resource environments that may act as barriers to implementing specific actions in resource mobilization or program execution. Within the guidance provided for mobilizing finances from the three main sources, the strategy additionally recommends a number of actions for overcoming identified barriers in the enabling environment.

Within the strategy, an **action plan** is elaborated to detail the activities for raising different financial resources and for engendering resource mobilisation friendly changes in the enabling policy, regulatory, planning and budgetary frameworks. It provides the elements of a new approach to financing programs/projects; an approach that is meant to be adopted by planners and decision makers in the course of addressing SLM in their respective institutions.

For this new approach to be adopted and in order for the strategy to be successful, the concepts that the strategy puts forth have to be disseminated across the various institutions that are concerned with SLM. The subsequent level of cooperation and coordination among the various stakeholders in developing programs and raising finances as well as the blend of resources that will be mobilized will serve as important indicators of the success of the strategy.

This strategy was developed under the guidance and supervision of MOPIC, MOE, and the GM, with the technical assistance of the Consolidated Consultants (Jordan) and ELARD (Lebanon) in close consultation with the National Committee to Combating Desertification (NCCD). The active participation of both national and international stakeholders in Jordan in the development of this strategy demonstrated the importance attributed by stakeholders to SLM and combating desertification. Such a participation and commitment will be instrumental for an adequate implementation of the strategy.

As a first step, the IFS approach examines the national context in which the NAP is set and reviews its strategic orientation and hierarchy of priorities. It also, explores the current institutional, legislative and financial frameworks. The flow of financial resources into land degradation related activities is also assessed, providing a general idea of the magnitude of available financial resources, their sources and final destination. The assessment is particularly focused to examining how the national context favours or hinders resource mobilization.

Secondly, barriers to implementation of the strategy are highlighted and steps for strengthening the enabling environment are explored. The identified barriers are revisited and recommendations for improvement of the national context aiming at supporting resource mobilization are provided. One of the key recommendations of the strategy lies in the development of an umbrella SLM programme as a tool for mainstreaming SLM in a systematic and harmonized way across sectors. The SLM programme should be integrated to the next executive programme of 2010-2012.

Thirdly, the public budgeting process is examined. This analysis examines the ways in which the structure of decision-making within the budget process affects the distribution of public resources.

Fourthly, donor priorities and funding modalities are explored. Understanding donor policies and the modalities for accessing bilateral and multilateral funds is crucial. This is important to understand the donor country programming frameworks in which SLM should be mainstreamed and to more efficiently select the best partners depending on thematic area and type of assistance required. A comprehensive donor matrix was prepared and will serve as an instrumental tool for efficient identification of suitable external partners for programs implementation.

Fifthly, non-traditional or innovative sources of financing are identified. Some of the innovative sources are financial instruments that exist under the UNCCD's sister conventions and are therefore easily accessible. Others are tools that are generally not used for environment-related activities in Jordan but have potential for implementation. The most applicable mechanisms that are likely to generate resources have been identified and actions to better mobilize resources from these mechanisms have been identified.

Last but not least, an action plan that highlights the main actions identified for improving the mobilization of resources is prepared. The action plan is articulated around four (4) main outcomes with associated outputs. These are summarised in Table I. The detailed action plan includes responsibilities, indicators, activities, priority, estimated budget as well as risk and assumptions for implementation of each output. The action plan should serve as the main reference for implementation of the strategy.

Table I: Summary of main outcomes and outputs of the IFS

Outcome	Outputs
Outcome 1: Enhanced Enabling Environment for resource mobilization in Jordan	1.1 Enhanced Legal Framework for resources mobilization 1.2 Enhanced Institutional Framework 1.3. Consolidated development and implementation of related policies 1.4. Enhanced awareness on importance of SLM targeting decision-makers, including parliamentary committees, GBD and MOF; economic tools should be a major instrument for awareness raising
Outcome 2: Enhanced Mobilization and allocation of Internal resources	2.1 Capacity building of relevant agencies identified in the IFS in prioritization setting, budget preparation, and programme/project implementation; 2.2 Capacity building of local authorities to enhance mobilization of local resources; 2.3 Promote private sector investment in SLM activities by targeting private companies through their CSR policies.
Outcome 3: Enhancing resource mobilization from external sources	3.1 Enhance knowledge of local stakeholders on donors modalities, country strategies preparation, and new potential international partners 3.2 Support MOPIC in enhancing effectiveness of donor-government coordination mechanism.
Outcome 4: Enhanced mobilization of innovative sources of financing	4.1 Use of revolving funds in particular as part of poverty alleviation schemes in rural areas 4.2 Use of debt swaps to co-finance SLM programmes 4.3 Use of climate change mechanisms, in particular special climate change fund, adaptation fund, and CDM (in particular for afforestation and water efficiency projects) 4.4 Financing from Environment Compensation Unit 4.5 Jordan environment fund

Drawing on the decade long experience of UNCCD implementation, at the Eighth Session of the Conference of the Parties (COP.8 in 2007), a Ten Year Strategic Plan and Framework to Enhance the Implementation of the UNCCD (10-year strategy – 2008 – 2018) was adopted. The 10-year strategy focuses on achieving 4 Strategic Objectives: 1) to improve the living conditions of affected populations; 2) to improve the condition of affected ecosystems; 3) to generate global benefits through effective implementation of the UNCCD; and 4) to mobilize resources to support implementation of the Convention through building effective partnerships between national and international actors. The approach advocated by the Global Mechanism and adopted by the Government of Jordan is fully consistent with the 10-year strategy and constitutes one of the first attempts at aligning the implementation of the National Action Programme with that of the 10-year strategy.

1 INTRODUCTION

1.1 The General Context

Desertification was defined at the United Nations Conference on Environment and Development (UNCED), held in Rio de Janeiro in 1992, as “land degradation in arid, semi-arid and sub-humid areas resulting from various factors including climatic variations and human activities, in specific, the complex interactions among physical, biological, political, social, cultural and economic factors”¹. Land degradation refers to the reduction or loss, of the biological or economic productivity and complexity of rain-fed cropland, irrigated cropland, or range, pasture, forest and woodlands.

Desertification is a threat to the livelihoods of millions of people in dry-lands. Some 70 percent of the 5.2 billion hectares of dry-lands used for agriculture around the world are already degraded, an area equalling about 30 percent of the earth's total land area. Globally, topsoil is lost at an annual rate of 24 billion tons. Estimated annual costs of desertification run in the range of USD 40 to 45 billion², an estimate that excludes the large human costs involved³.

1.2 Objective and Principles of the UNCCD

The international community has long recognized the economic, social, and environmental concerns of desertification. Despite early efforts in the 1970's, the problem of land degradation continued to intensify, and the question of how to tackle desertification was still a major concern at the 1992 Rio Summit.

Acknowledging the threat of desertification, the international community convened on June 17, 1994 to agree on a global agenda for action. The United Nations Convention to Combat Desertification (UNCCD) was born out of the negotiations and entered into force on December 26, 1996.

The Convention pioneers a democratic, bottom-up approach in international environmental law. It is designed to "forge a new deal between governments, the international community, development practitioners and local people"⁴. The Convention is founded on the principle that solutions for the problem of desertification and drought should emanate from the affected dry-land populations, supported by partnerships with other concerned actors, both national and international. These solutions and supporting partnerships are undertaken within the National Strategy and Action Plan to Combat Desertification (NAP) process, which is the main instrument for the implementation of the CCD at the national level.

At the heart of the UNCCD lies the commitment to prepare and implement NAP's to prevent land degradation, mitigate the effect of drought, and alleviate poverty. The NAP's are further strengthened by Action Programs on Sub-regional (SRAP) and Regional (RAP) levels.

¹ UNCCD, 1995

² According to UNDP

³ UNCCD, 1995

⁴ UNCCD Secretariat 1995. Down to Earth – A Simplified Guide to the CCD, Why It Is Necessary and What Is Important and Different About It.

At the practical level, NAP's must perform two important functions: (1) identify the factors that contribute to desertification in the relevant socio-economic, biological and geographic context; and (2) define practical measures for combating desertification in some or all of the following priority fields:

- Improvement of the framework for poverty reduction;
- Promotion of sustainable livelihoods;
- Demographic dynamics;
- Sustainable management of natural resources.

1.3 Resources for UNCCD Implementation

The Convention states that affected developing country Parties should “mobilize adequate financial resources for their NAP” and in return, developed country Parties should “mobilize substantial financial resources, including grants and concessional loans, in support of the programs in collaboration with [multilateral agencies such as] the Global Environmental Facility – GEF, the World Bank, and the United Nations Environment Programme – UNEP”⁵. An arrangement for the flow of financial resources is therefore already identified in the text of the Convention.

The Convention further emphasizes the mobilization of resources through all existing channels, their strengthening and re-orientation to fit its integrated, bottom-up approach. To this end, the Convention set up the Global Mechanism (GM) to increase the effectiveness and efficiency of existing financial mechanisms for tackling desertification. The GM acts as a hub for a dynamic network of partners, committed to focusing their energies, resources, and knowledge on combating desertification.

Mainstreaming sustainable land management (SLM) into national policies and strategies, as well as regulatory, planning and budgetary processes is instrumental for securing resources for UNCCD implementation. Mainstreaming enables affected countries to take into account UNCCD principles, NAP objectives and UNCCD-related priority activities in all relevant national policies and strategies with the objective to integrate sustainable land management into overarching development frameworks.

While it is the Government's role to manage the different processes and build them into national decisions, the GM contributes to the effectiveness of these efforts and their inclusion into policy making. Since increasing financial resources is dependent on the mobilization of a range of other resources, the GM facilitates the mobilization of these resources, namely instrumental resources (such as strategic frameworks, policy instruments, and plans), human resources (stakeholders, organizations, institutions), and knowledge and information, as well as finances. The GM provides the support for mainstreaming of these different interrelated processes related to implementation of the Convention.

⁵ UNCCD, 1995

Drawing on the decade long experience of UNCCD implementation, at the Eighth Session of the Conference of the Parties (COP.8 in 2007), a Ten Year Strategic Plan and Framework to Enhance the Implementation of the UNCCD (10-year strategy – 2008 – 2018) was adopted. The 10-year strategy focuses on achieving 4 Strategic Objectives: 1) to improve the living conditions of affected populations; 2) to improve the condition of affected ecosystems; 3) to generate global benefits through effective implementation of the UNCCD; and 4) to mobilize resources to support implementation of the Convention through building effective partnerships between national and international actors. The approach advocated by the Global Mechanism and adopted by the Government of Jordan is fully consistent with the 10-year strategy and constitutes one of the first attempts at aligning the implementation of the National Action Programme with that of the 10-year strategy.

1.4 Jordan and the UNCCD

The Hashemite Kingdom of Jordan is a signatory to the United Nations Convention to Combat Desertification (UNCCD) and concluded in June 2006 the National Strategy and Action Plan to Combat Desertification (NAP).

Several constraints are hindering the full implementation of the UNCCD in general, and NAP implementation in particular. These include environmental, institutional, socio-economic, and financial constraints. Within this context, the Global Mechanism (GM) of the UNCCD and the Ministry of Planning and International Cooperation (MOPIC), in partnership with the Ministry of Environment (MOE), entered into an agreement in November 2004 for use of a grant from the GM to support Jordan in implementing its commitments towards UNCCD.

1.5 Changes at the International Level

1.1.1 A Changing Environment

Changes have been taking place at the international level of environmental policy. This is evidenced by recent agreements such as the Millennium Development Goals (MDG's), which set unprecedented efforts to meet the needs of the world's poorest, and the Monterrey Consensus on Financing Development, which outlined the changing understanding of resource allocation for development.

On the level of donors, experiences in country-level operations coupled with the new global policy guidance have promoted the development of new procedures in resource allocation. The traditional approach of making funds available to finance sporadic activities in developing nations has received much scrutiny, prompting bilateral and multilateral donors to shift towards more systematic and structured funding strategies.

1.1.2 Integrated Financing Strategies

Within the spirit of this changing environment, the Paris Declaration on Aid Effectiveness called for "improving aid effectiveness through strengthening countries' development strategies and operational frameworks, aligning aid with country priorities, eliminating duplication".

The evolving processes prompted the GM to adopt an innovative approach centred on mainstreaming UNCCD issues into development programming processes and supporting

countries in developing **Integrated Financing Strategies** (IFS) that meet their long-term needs. The GM's approach is based on strengthening its longer-term commitments to interested country partners and increase its support to the analysis and synthesis of UNCCD implementation processes, the application of instruments such as NAP's and relevant strategic issues. The GM's new approach was presented and approved at the UNCCD's 7th Conference of the Parties (COP) held in Nairobi in October of 2005.

The GM has elaborated the IFS as an instrument to support governments in mobilizing financial resources for UNCCD implementation at the country level. Specifically, as stated in GM's report to the COP7, the integrated financing strategies are meant to “contribute to broadening the scope of planning processes beyond specific sectors and include comprehensive coordinating arrangements between different financing sources, instruments and mechanisms”. Their objective is to improve the investment climate and create a stable, predictable and enabling environment to ultimately increase investments in sustainable land management.

GM has been supporting countries in the Middle-East, North Africa, South-East Asia and Latin America among others, to develop and implement their own strategies, whereby the approach is adjusted to match each country's specific characteristics.

1.1.3 The Program Approach – the New Direction for Funding

The traditional approach of funding individual projects has been superseded by a structured program-financing mechanism. Such approach serves to address problems in developing nations at their root and goes on to tackle multiple factors – social, economic and environmental – along a chain of activities falling under one integrated and comprehensive umbrella program. Rather than financing independent activities, the program approach ensures that all elements are tied together to increase synergies and maximize the benefits of the final outcome.

The program approach has become the method of preference for multilateral and bilateral donors. It is meant to serve national priorities by tackling those issues that are of prime concern in the country. In order to fund activities in a developing nation, donors look for programs that reflect the national priorities. Aligning funding goals with national priorities serves the interest of both parties by addressing primary concerns in the developing country on the one hand and substantiating the efficient use of donor funds on the other. However, for such approach to be efficient, national priorities need first be articulated and officially endorsed. Programs are then conceived out of these stated priorities.

The program cycle begins with the conception of an idea based on a priority axis. This concept carries sustainable land management at its core, but additionally identifies a full line of activities targeting socio-economic conditions, namely poverty, a root cause of desertification. Because desertification remains a poorly understood concept, and for donors, is a term that does not rate highly on funding agendas, it does not form an “attractive” funding target. Hence, programs tackling land degradation need to incorporate the elements of SLM into a larger scheme, or chain of activities, that will contribute to combating land degradation. Therefore, while directly addressing poverty issues, SLM becomes nested within an integrated set of activities that contend with the natural resource base that local communities are dependent upon.

Once the chain of activities, the funding targets within a program, is identified, the required financial resources need to be assessed and mobilized. The integrated financial strategies identify a variety of financing sources, both domestic and international, and serve to match required resources with available funds. In the scheme of evolving funding modalities, donors are more

and more emphasizing the need for co-financing. In some cases, donors expect that the bulk of resources is mobilized from other sources, and donor resources are only used to complement gaps in financial needs. Program planning is therefore crucial in outlining all activities in need of funding before appropriate financing sources can be sought.

In the presence of a thoroughly developed program based on national priorities and a comprehensive financial strategy identifying internal and external sources, the efficient use of financial resources is made possible - on the one hand activities in need of financing are isolated (by the program), and on the other, available funds are identified (by the strategy). It hence becomes possible to match focused funding needs to a blend of available resources, all the while operating within the margins of national budget capacities and respecting donor funding priorities.

2 THE INTEGRATED FINANCING STRATEGY

2.1 Scope

The IFS aims at supporting the mobilization of resources for sustainable land management (SLM), as a means to combat desertification. More broadly, SLM refers to the use of land resources without negatively affecting the quality of the land as a basis of production. Combating desertification is therefore intricately linked to SLM and the improvement of socio-economic conditions, specifically the alleviation of poverty in rural areas. The strategy therefore considers SLM and combating desertification within the same scope, and regards poverty alleviation as one tool with which to mitigate land degradation.

2.2 Definition

The IFS is a **guiding framework** for locating and developing a mix of financial resources to fund SLM-related programs and projects. While helping to develop the appropriate blend of funds – namely internal, external and innovative – the strategy also uncovers potential barriers in resource identification, allocation, and disbursement. It highlights aspects in the policy, fiscal, legal, institutional, and human resource environments that may act as barriers to implementing specific actions in resource mobilization or program execution. Within the guidance provided for mobilizing finances from the three main sources, the strategy additionally recommends a number of actions for overcoming identified barriers in the enabling environment.

Within the strategy, an **action plan** is elaborated to detail the activities for raising different financial resources and for engendering resource mobilisation friendly changes in the enabling policy, regulatory, planning and budgetary frameworks. It provides the elements of a new approach to financing programs/projects; an approach that is meant to be adopted by planners and decision makers in the course of addressing SLM in their respective institutions.

For this new approach to be adopted and in order for the strategy to be successful, the concepts that the strategy puts forth have to be disseminated across the various institutions that are concerned with SLM. The subsequent level of cooperation and coordination among the various stakeholders in developing programs and raising finances as well as the blend of resources that will be mobilized will serve as important indicators of the success of the strategy.

2.3 Objectives and Anticipated Results

The objective of the IFS is to set in motion a process that leads to the improvement of the enabling policy, legislative, institutional and incentive frameworks governing natural resources as a means to enhance the impact of existing resources and to mobilize new and additional resources for combating desertification and poverty.

The strategy aims to identify the complementary roles of the different sources of financing - domestic, foreign, public and private. It leverages the different financial sources by recognizing and defining their distinct and complementary roles, providing for the necessary enabling environment, and articulating the synergies and partnership relation between them. Sources of financing include, among others, bilateral cooperation, multi-lateral funding, national budgets, and innovative sources of financing.

Once implemented, the strategy provides a comprehensive financing approach to addressing sustainable land management, from defining the elements of an environment conducive to carrying out such activities to locating and mobilizing the necessary resources from various sources to finance the required actions.

2.4 A Participatory Approach

Development of the strategy in Jordan has been undertaken in close coordination with national and international stakeholders through bi-lateral meetings, group meetings and two national consultation workshops. The reports of both national consultation workshops are provided in **Annex 1**. Key results and recommendations from these workshops are presented where relevant in this report.

2.5 Structure of the Strategy

The strategy is developed under the guidance and supervision of the Ministry of Planning and International Cooperation (MOPIC), the Ministry of Environment (MOE), and the Global Mechanism (GM), and the technical assistance of the Consolidated Consultants (Jordan) and ELARD (Lebanon) in close consultation with the National Committee to Combating Desertification (NCCD). The strategy serves as a comprehensive framework for overcoming the financial constraint on the NAP implementation by identifying available financial resources that Jordan can mobilize as well as providing mechanisms for access to future sources of financing.

As a first step, the IFS approach examines the national context in which the NAP is set and reviews its strategic orientation and hierarchy of priorities. It also, explores the current institutional, legislative and financial frameworks. The flow of financial resources into land degradation related activities is also assessed, providing a general idea of the magnitude of available financial resources, their sources and final destination. The assessment is particularly focused to examining how the national context favours or hinders resource mobilization.

Secondly, barriers to implementation of the strategy are highlighted and steps for strengthening the enabling environment are explored. The identified barriers are revisited and recommendations for improvement of the national context aiming at supporting resource mobilization are provided.

Thirdly, the public budgeting process is examined. This section examines the ways in which the structure of decision-making within the budget process affects the distribution of public resources.

Fourthly, donor priorities and funding modalities are explored. Understanding donor policies and the modalities for accessing bilateral and multilateral funds is crucial. This is important to understand the donor country programming frameworks in which SLM should be mainstreamed and to more efficiently select the best partners depending on thematic area and type of assistance required.

Fifthly, non-traditional or innovative sources of financing are identified. Some of the innovative sources are financial instruments that exist under the UNCCD's sister conventions and are therefore easily accessible. Others are tools that are generally not used for environment-related activities in Jordan but have potential for implementation.

Last but not least, an action plan that highlights the main actions identified for improving the mobilization of resources is prepared. The recommendations outline the main actions required to proceed with implementation and highlight the key actors responsible for successfully carrying the strategy through.

3 ANALYSIS OF THE NATIONAL CONTEXT

The analysis of the national context aims at providing a comprehensive and concise description of the current situation in Jordan with regards to:

- Environmental factors – an overview with focus on land degradation
- Status of NAP Implementation
- Commitment to International Conventions with focus on the UNCCD
- Legal framework
- Institutional framework
- Coordination framework
- Planning framework
- National policy development process
- Financial flows into programmes, plans and projects for combating desertification

The analysis of the national context provides the basis to recommending actions to improve the enabling environment to resources mobilization in the country. Unlike the analysis conducted during NAP formulation, this analysis focuses on how the national context favours or hinders resource mobilization for SLM.

3.1 Environmental Overview

3.1.1 Overview of Environmental Factors with Focus on Land Degradation

Jordan is a country dominated by an arid climate and fragile ecological systems. The country suffered drastically from sudden increase of population due to political conditions that prevailed during the second half of the past century. These conditions have imparted their effects on natural resources and environment. Due to various factors, most of the country is subject to one form or another of desertification.

The main characteristics of Jordan's climate reflect the transitional location of the country between the Mediterranean climate in the West; and arid climates in the East and in the South. The prevailing wind is from the North West bringing cold wet air during winter and spring, mild air during summer and autumn from Europe; and from the East and South East bringing cold air during winter and spring and hot dry during summer and autumn from Arabia and India.

The average day time temperature ranges from 13 °C in January to 32 °C in August. The yearly average precipitation ranges from 630 mm in the north-west of the country to less than 50 mm in the desert areas, more than 80 % of the country's area is arid and receives less than 200 mm annual rainfall⁶. The Jordan Valley which is 400 m below sea level is warm in winter and hot in summer. Depressions of mostly Mediterranean origin start affecting Jordan in mid October or early November and dominate the weather until late April.

Jordan's natural resources are very limited and the country is among the world's most water-deficient countries. A major challenge for the Government is therefore to promote the sustainable use of natural resources for agricultural purposes. This challenge is being made harder by the

⁶ NAP

ongoing processes of degradation which combine to undermine many social and economic development gains.

Land degradation processes affect not only selected ecosystem components or functional cycles but are also destructive processes that negatively impact on the entire environmental landscape. Desertification related processes result in decreases in soil carbon, while changes in plant and animal biodiversity have impacts on the proper functioning of environmental services. Similarly over-pumping of aquifers in degraded areas has negative consequences for the quality of freshwater through mobilization of salinity and minerals.

Deforestation has been clearly linked to carbon emissions and global climate change. While land degradation processes have, to a large extent, a human-induced local origin, if not addressed appropriately, the negative effects will have implications on regional and global environmental goods and services.

3.1.2 Main Causes of Desertification in Jordan

Causes of desertification include natural-physical and human induced factors resulting from different activities. In Jordan these factors include the following⁷:

Natural -physical factors:

- **Natural disasters:** such as heavy rain, flash flood rains and forest fires.
- **Climatic factors** of periodic droughts and climate change.

Human induced factors:

- **Inappropriate land use.** Extensive cultivation over time has resulted in deterioration in soil structure, a reduction in chemical fertility and an increase in erosion hazard - especially on steeper slopes of the wadis.
- **Changes in cultivation techniques.** Previously land was cultivated by animal draught, following the contour lines; however, mechanized soil preparation is now available to all farmers by way of numerous contractors and is considerably cheaper than animal draught. As a result, even in steeper areas, vertical ploughing along the slope one to two times per season is a common feature, resulting in an overall increase in the risk of erosion.
- **Deforestation** has been accelerated by agricultural clearing, fuel wood exploitation, and overgrazing, which have caused soil erosion, loss of valuable timber resources, and damage to watershed areas.
- **Overgrazing.** Many studies and research showed low levels of rangeland productivity that tend to decrease with time. This was mainly attributed to overgrazing of natural vegetation which accelerated degradation of rangelands in the low rainfall zones, in addition to the increasing number of grazing animals.
- **Soil erosion and rangeland degradation** due to deforestation, overgrazing, and unsustainable farming practices (especially in upland areas where wheat, Jordan's main crop, is grown) has led to reduced land productivity through excess salinity that frequently accompanies irrigation.

⁷ NAP & Land Degradation Assessment in Dry Lands

- **Over-pumping of aquifer waters** for irrigation, industrial and domestic use without recharge into these aquifers, such as by water harvesting.
- **Urbanization:** the spread of land usage for building houses, highways and roads as well as encroachment of people on public and state owned land gradually led to a decrease in forested areas. Jordan is facing a population boom which leads to an increasing demand for food and housing areas. Many cities, towns or villages have extended over their normal range and many agricultural zones are being shifted to residential zones.
- **Pollution:** this factor is the one with the least scientific documentation. In certain areas, for example near the Cement factories or the refinery in the Al-Hashemiah area, where there are permanent sources of pollution, vegetation monitoring is of high priority. Other forms of pollution can exist and information needs to be gathered about them.
- **Prevailing poverty** in arid and semi-arid areas of Jordan. There is considerable evidence that poverty is forcing dry-land farmers and herders, in particular, into unsustainable practices to produce more food and meet their needs, often leading to degradation of their land resources; this phenomena is likely to be exacerbated by increasing prices of oil and cost of living.
- **Rapid population growth.** Jordan's demographic profile is a major factor affecting development opportunities. In 2002, the total population of Jordan exceeded 5.3 million, representing a five- fold increase since the 901,000 registered in 1961. the considerable growth is attributed to successive waves of refugees and migrants from Palestine and the region over the past 50 years, combined with the impacts of a high population growth rate especially until the end of the 1970s (average 4.3% between 1952 and 1979). The current population growth rate of 2.8% has remained constant since 2000 which has decreased from 3.6% in 1996.

3.1.3 Exacerbation of land degradation through human and climate change impacts

Human induced land degradation refers to the temporary or permanent reduction in the productive capacity of land as a result of human action. It is recognized that land degradation is a problem that is widespread, and in some areas severe. **Annex 2** presents a detailed assessment of human induced land degradation.

3.1.4 Economic Cost of Land Degradation

In a study conducted by the World Bank⁸, the economic cost of environmental degradation in Jordan was estimated to be 3.1% of GDP annually with a total of 205 million JDs as money lost estimated in five sectors.

The most significant impact on health and quality of life was caused by water pollution at an estimated cost of 0.71- 1.24% of GDP. Diarrhoeal illness and mortality which damage cost is estimated as 31 million JDs per year are caused by lack of access to safe potable water and sanitation, and inadequate domestic, personal and food hygiene with most of the impacts imposed on children. The damage cost from inadequate waste collection, associated with reduction in land prices is estimated at 0.11% of GDP.

The damage cost of air pollution associated with mortality and morbidity is estimated at around 0.69% of GDP, while the cost of land degradation comes predominantly from rangeland

⁸ Arab Environment Monitor, July, 2006

degradation (0.46% of GDP) and soil salinity (0.14% of GDP). Finally, the coastal degradation in Aqaba is assessed at around 0.09% of GDP.

Such values present a very important argument for justifying the importance of sustainable land management as a means of economic sustainability and hence raising the importance of SLM in the political agenda of the country.

3.2 Status of NAP Implementation

3.2.1 NAP Objectives and Recommendations

The NAP has been developed to address the factors leading to desertification as elaborated in the previous section. As stated in the NAP document, the overall objective of the NAP is to provide integrated development programmes targeting local communities and environmental components in areas under threat of desertification. The specific objectives of NAP are:

- To highlight desertification as a national priority and develop a National Action Plan to be integrated within the national policy in a participatory approach to ensure commitment of all stakeholders to its implementation.
- To outline measures needed for combating desertification and mitigating effects of drought and the misuse of land through effective action at all levels supported by international cooperation and partnership arrangements, in the framework of an integrated approach contributing to the achievement of sustainable development of affected areas.

The NAP involves long-term integrated strategies that focus, in affected areas, on improved productivity of land and the rehabilitation, conservation and sustainable management of land and water resources, leading to improved living conditions, in particular at the community level.

The objectives of NAP are aligned with the main UNCCD objective to combat desertification and mitigate the effects of drought in countries experiencing serious drought and/or desertification, through effective action at all levels, supported by international cooperation and partnership arrangements, in the framework of an integrated approach consistent with Agenda 21, with a view to contributing to the achievement of sustainable development in affected areas.

In order to achieve the above-stated objectives NAP includes six major programmes that are mainly “project-based”. The programmes include several projects related to desertification monitoring and control, capacity building, natural resources rehabilitation and development. Therefore these programmes and the proposed projects provide the framework for an action plan to combat desertification.

The proposed programmes are mainly the following:

- Desertification Information System (DIS),
- Drought prediction and desertification control,
- Capacity building and institutional development,
- Restoration of degraded ecosystems of rangelands and forests,
- Watershed management,
- Human, social and economic development initiatives.

Each programme has several projects with justification, activity, implementing agencies and initial budget. However projects are not prioritized, which would have facilitated decision on where to channel financial resources first. Prioritization of these projects was undertaken as part of the IFS development process and prioritized projects are shown in **Table 3-1**. The prioritization methodology is presented in **Annex 3**.

Table 3-1: Projects' Ranking

#	Project	Program	Score Value (%)	Priority
1	Community Based Rangeland Rehabilitation	Program 4. Restoration of Degraded Ecosystems of Rangelands and Forests	77.67	High
2	House Roof Water Harvesting	Program 5. Watershed Management	74.75	High
3	Establishing a National Fund to Combat Desertification	Program 3. Capacity Building and Institutional Development	73.42	High
4	Rehabilitation and Development of Forest Environment	Program 4. Restoration of Degraded Ecosystems of Rangelands and Forests	72.33	High
5	National Training Programs on Desertification Monitoring and Control	Program 3. Capacity Building and Institutional Development	69.67	High
6	Integrated Socio-Economic Development of Communities in the Arid Lands of Jordan	Program 6. Human, Social and Economic Development Program	67.75	High
7	Establishing a Desertification Database	Program 1. Desertification Information System (DIS)	66.33	Medium
8	Documentation of Traditional Knowledge on Soil and Water Conservation	Program 5. Watershed Management	61.67	Medium
9	Public Awareness	Program 1. Desertification Information System (DIS)	59.83	Medium
10	Desertification Legal Framework for Monitoring and Development	Program 3. Capacity Building and Institutional Development	59.67	Medium
11	Use of Reclaimed Water for Greenbelt Areas around Villages and along Roads in Arid Areas of Jordan	Program 5. Watershed Management	59.67	Medium
12	Assessment of Drought Impacts	Program 2. Drought Prediction and Desertification Control	58.33	Medium
13	Desertification Mapping	Program 1. Desertification Information System (DIS)	56.67	Medium

Table 3-1: Projects' Ranking

#	Project	Program	Score Value (%)	Priority
14	Modules for Comprehensive Training for Communities	Program 6. Human, Social and Economic Development Program	54.00	Low
15	Centre for Drought Monitoring and Prediction (CDMP)	Program 2. Drought Prediction and Desertification Control	53.33	Low
16	National Rainfall Water Harvesting Project for Agriculture Farming	Program 5. Watershed Management	52.00	Low
17	Artificial Recharge of Groundwater	Program 5. Watershed Management	46.00	Low

Legend

	Level of Priority - High - 70-80%
	Level of Priority - Medium - 60-70%
	Level of Priority - Low - 45-55%

While it is beyond the scope of the IFS development to assess the adequacy of the NAP and its proposed programmes and projects, the implementation of the IFS presents the opportunity to realign the NAP with the 10-year UNCCD strategy and strengthen the proposed programs through their better integration in cross-sectoral policies and strategies.

3.2.2 Status of NAP Implementation

Since 2006, limited progress in implementation of NAP proposed projects has been achieved. This has been confirmed in various bi-lateral meetings conducted by the IFS development team as well as during the multi-stakeholder consultation workshops. Slow implementation of the identified measures in the NAP can be attributed to the following factors:

- Desertification is an important issue in Jordan but does not rank among its top priorities; this is well demonstrated in Jordan's executive program for the period 2007 to 2009 where total expected government expenditure on desertification is 0.6% of total expenditures under the environmental sector (190,000 JD for desertification against 32,020,000 JD for other environmental priorities);
- NCCD is not fully operational and effective to ensure adequate coordination with other initiatives and to promote implementation of NAP initiatives as part of government's executive programme or support from donor agencies.

The NAP being a stand-alone programme under the sole umbrella of combating desertification and without a strong patron to promote it, will face difficulties to find its way to implementation unless certain measures are taken either to place the actions under a wider umbrella of SLM and/or strengthening the institution(s) responsible to promote its implementation.

However, a major milestone has been achieved in October 2008, concomitantly to issuing this IFS strategy: the NAP was finally approved by the Cabinet and is officially endorsed by the government. This should translate in higher budgetary commitments from the government in the next budget cycle towards actions that will support fighting desertification, hence facilitating the mobilization of external resources as co-financing to leverage these national resources.

3.3 Commitment to International Conventions

While NAP development and implementation is a result of Jordan's response to its ratification to the UNCCD, the latter is only one of three Conventions that grew out of the 1992 UN Conference on Environment and Development (UNCED) – better known as the 'Rio Earth Summit'. The UNFCCC, which addresses climate change, and the UNCBD, which tackles biodiversity conservation, are regarded as the UNCCD sister conventions. If implemented effectively, these treaties are meant to contribute significantly to achieving the goals of sustainable development. Jordan's commitment to these conventions were reviewed by the IFS development team to explore and further highlight need to develop synergies among the conventions', which would inevitably support resource mobilization to sustainable development in general and SLM in particular.

3.3.1 Compliance to Rio Conventions

UNFCCC and UNCBD have been ratified by the government of Jordan in 1993, and UNCCD has been ratified 3 years later in 1996. The Ministry of Environment is the focal point of all three Rio conventions.

While ratification is an important step towards commitment to international legislation, compliance is the real measure of how well the actions that are being undertaken are actually fulfilling the goals that are set. Although the intention to implement exists, the Jordan's means – whether financial, technical, or human – for complying with the commitments stipulated by the Conventions is often lacking. National focal points have been designated for all three of the conventions, however few other achievements can be counted beyond those of individual projects.

In the case of the CBD, Biological Diversity Strategy and Action Plan through technical and financial aid from donors was prepared in 2001 and numerous projects were implemented. However, full compliance requires more initiatives in the areas of financial, scientific, technical and technological capacity building. The legislative side is particularly lacking, as are measures to improve institutional coordination. Several projects were executed whose goals simultaneously fulfil certain obligations under the convention, including:

- Conservation of Agro biodiversity
- Sustainable Rangeland Management Project
- Jordan National Program for Rangeland Rehabilitation and Development
- Rehabilitation of biodiversity/ Water Harvesting and Soil Conservation in Senfha/Tafileh
- Community-based Rangeland Rehabilitation Program

With regards to the UNFCCC the first national communication and the three enabling activities have been undertaken. Jordan has signed and ratified the Kyoto Protocol, which enables it to take advantage of the Clean Development Mechanism (CDM) projects. Enabling activities are:

- Energy conservation and improvement of thermal comfort of existing and future buildings in Jordan
- Utilization of solar and wind energy for the development of the rural and remote areas in Jordan
- Inventory and action plans in the Hashemite Kingdom of Jordan in response to UNFCCC communication obligations

Jordan has made significant progress towards achieving compliance with UNCCD obligations. As described earlier, a national action plan that delineates priority action areas was prepared, strategies were developed with the aim of mainstreaming the NAP into national development programs, initiatives for institutional sustainability were taken, efforts to develop a legal framework for the sound management of natural resources is underway, as is the initiative to develop a strategy for mobilization of financial resources for NAP implementation as documented in this report.

Table 3-2 lists the major obligations under the UNCCD convention and Jordan's current level of compliance under each. Overall, it can be stated that Jordan is currently achieving partial compliance with regards to the obligations under the convention.

Table 3-2: Main Obligations under UNCCD and Current Level of Compliance

Obligation	Compliance achieved	Partial Compliance	No compliance	Comments
Adopt an integrated approach addressing the physical, biological and socio-economic aspects of the processes of desertification and drought	ü			The NAP illustrates understanding and adoption of an integrated approach
Prepare, make public, implement, and update national action programs	ü			NAP prepared in 2006. Yet to be endorsed.
Promote institution building, training and development of relevant local and national capacities		ü		Capacity building workshops held
Ensure that adequate financial resources are available for programs to combat desertification and mitigate the effects of drought; seek full use and continued qualitative improvement of all national, bilateral and multilateral funding sources and mechanisms, using consortia, joint programs and parallel financing, and shall seek to involve private sector funding sources and mechanisms, including those of non-governmental organizations		ü		Financial resources are lacking. Development of Resource mobilization strategy on-going

Table 3-2: Main Obligations under UNCCD and Current Level of Compliance

Obligation	Compliance achieved	Partial Compliance	No compliance	Comments
Integrate strategies for poverty eradication into efforts to combat desertification and mitigate the effects of drought		ü		Although links are well understood, no firm action plan has been developed
Promote cooperation among affected country Parties in the fields of environmental protection and the conservation of land and water resources	ü			Cooperation being promoted. On-going process. SRAP regional activity.
Strengthen sub regional, regional and international cooperation		ü		SRAP project concluded More efforts are needed
Cooperate within relevant intergovernmental organizations		ü		More efforts are needed
Determine institutional mechanisms, if appropriate, keeping in mind the need to avoid duplication		ü		National and regional focal points appointed. Coordination body created but requires strengthening
Give due priority to combating desertification and mitigating the effects of drought	ü			NAP endorsed by cabinet raising the level of priority given to combating desertification
Establish strategies and priorities, within the framework of sustainable development plans and/or policies, to combat desertification and mitigate the effects of drought.		ü		Drought Mitigation Strategy developed. Yet to be endorsed
Address the underlying causes of desertification and pay special attention to the socio- economic factors contributing to desertification processes		ü		Root causes of desertification elaborated and addressed in projects Better linkage with socio-economic strategies needed

Table 3-2: Main Obligations under UNCCD and Current Level of Compliance

Obligation	Compliance achieved	Partial Compliance	No compliance	Comments
Promote awareness and facilitate the participation of local populations, particularly women and youth, with the support of NGOs		ü		Awareness lacking. Ample work with NGOs and local populations. Awareness raising strategy implemented. On-going process
Provide an enabling environment by strengthening relevant existing legislation and, enacting new laws and establishing long-term policies and action programs		ü		Environmental Law No.52 for the year 2006 enacted. Environmental legislation requires updating and consolidation
Encourage the coordination of activities carried out under the UNCCD and under other relevant international agreements, particularly the UNFCCC and UNCDB, in order to derive maximum benefit from activities under each agreement while avoiding duplication of effort.			ü	Limited coordination among the activities carried out under the conventions.
Conduct an interdisciplinary review of available capacity and facilities at the local and national levels, and the potential for strengthening them	ü			NCSA project finalized
Integrate and coordinate the collection, analysis and exchange of relevant short term and long term data and information to ensure systematic observation of land degradation in affected areas and to understand better and assess the processes and effects of drought and desertification			ü	Systematic monitoring systems not available as yet although the IFAD/GEF project intends to respond to this NAP priority.
Promote technical and scientific cooperation in the fields of combating desertification and mitigating the effects of drought through appropriate national, sub regional, regional and international institutions			ü	Identified as priority in NAP.

Table 3-2: Main Obligations under UNCCD and Current Level of Compliance

Obligation	Compliance achieved	Partial Compliance	No compliance	Comments
Promote, finance and/or facilitate the financing of the transfer, acquisition, adaptation and development of environmentally sound, economically viable and socially acceptable technologies; protect, promote and use in particular relevant traditional and local technology, knowledge, know-how and practices			ü	Identified as priority in NAP
Rationalize and strengthen the management of resources already allocated for combating desertification and mitigating the effects of drought by using them more effectively and efficiently, and reorienting programmes in light of the integrated long- term approach adopted pursuant to the UNCCD		ü		Development of resource mobilization strategy

The NCSA project in Jordan has identified a series of priorities to be addressed under each to convention, including UNCCD, as well as cross-cutting priorities. These are included in **Annex 4**. Implementation of these recommendations should support synergies among the 3 conventions, and hence promoting leveraging of resources leading to actions favourable to SLM and integrated natural resources management in general. These are not included as part of the action plan for this financing strategy as they are already addressed as part of the NCSA recommendations.

3.4 Legal Framework and Resource Mobilization

While the NAP development team has undertaken an analysis of the legal framework mainly from a technical point of view with respect to natural resources management legislation, the IFS development team has focused, to the extent possible, its review of the legal framework from a resource mobilization perspective. Certain legislation can hinder resource mobilization, while others can facilitate it. A review of the regulatory framework in Jordan is provided, articulating implications to resource mobilization where applicable, and providing recommendations for improving the framework.

3.4.1 Legal and Regulatory Frameworks in Jordan

3.4.1.1 Hierarchy of regulations

Under the Constitution, Jordanian regulations follow the hierarchy below (from the least powerful to the most powerful):

- Decision
- Instruction
- Regulation (Bylaw)
- Law
- Constitution

3.4.1.2 Existing Environmental Legislation

A detailed review of the national policies and legislations pertinent to combating desertification was undertaken during the formulation of the NAP. The review has identified several important omissions, contradictions and in some cases disincentives regarding combating desertification and land degradation. Several of these policies, including those on water, agriculture and lands should be revised.

The primary environmental legislation is Law No. 12 of 1995 which has been substituted by the temporary Law No. 1 of 2003 and recently by Law No. 52 of 2006. Environmental legislation forms the backbone of environment protection in Jordan. The enforcement of these laws constitutes one of the most essential tools that translate theory into reality. The following paragraphs highlight salient features of Jordan's environmental management capacity, in particular these factors affecting the potential of resource mobilization to combat desertification.

3.4.1.3 Environment Protection Law

In view of the issuance of the Royal decree with regard to establishing the Ministry of Environment, the Interim Law No. (1) for the year 2003 (**Interim Environment Protection Law**) was established to replace the Environment Protection Law No. (12) for the year 1995, and consequently, the cancelling of the General Corporation for the Environment Protection (GCEP), to be replaced by the Ministry of Environment in order to realize the following mandates:

- To consider the Ministry of Environment, the Competent Authority with all that related to the environment Protection and the issued related to same at the national, regional and international levels;
- To protect the environment and promote all its elements such as water, air and land in a sustainable manner, as well as to monitor the measurement of these elements and their components;
- To authorize (license) to non government bodies, working in the environment protection domain;
- To coordinate the national efforts aimed at the environment protection, through setting a national strategy for the awareness, education and the environmental connection;
- To prohibit the admission of harmful & hazardous substances in the Kingdom's lands;
- To promote the relations between the Kingdom, and the countries, and the Arab, regional and International societies and organizations in the environmental matters, and to strive to implement the agreements related to the environment affairs;
- To establish an advisory body of persons with experience & competence and from the bodies concerned with the environment in order to submit their suggestions to the Minister;
- To set the deterrent penalties with regard any who causes harm to the environment; these penalties, if well devised, can generate resources to implement measures towards sustainable development.

Although, the creation of a special Law designed to protect the Environment from all forms of pollution is a positive development in environmental legislation in Jordan, nevertheless the present Law has some deficiencies and shortcomings, which could be hindrance to resource mobilization.

For instance, this Law does not include international norms and evidenced-based best practices. Among these deficiencies are the following:

1. No reference to the “polluter pays principle” has been made, which removes the possibility of using an important mechanism for cost recovery;
2. The principle of avoiding the depletion of natural resources beyond a threshold that leads to irreversible impacts;
3. The principle of cooperation (in protecting environment), which calls for concerted efforts by Public Authorities, society at large, and the private sector;
4. The principle of economic incentives as an instrument for supporting sustainable natural resource use as opposed to punitive measures that require heavy enforcement;
5. No recourse to claiming compensation for environmental damage;
6. The penalties are not stringent enough thus weakening its regulatory strength;
7. No mention of the role of civil society or environmental groups with relation to environmental protection; and
8. No compulsory insurance coverage is required for those activities with high environmental risks.

In 2006, the interim law No. (1) for the year 2003 was replaced by the Environmental Law No. 52 for the year 2006 with no major changes on the main articles except for issuance of the necessary Regulations for the Environmental Protection Fund which is in the process of activation at present. However, this provides that the Regulation issued by its virtue shall remain effective and in force until they are amended, annulled or replaced by others.

Two important regulations pursuant to the Environment Protection Law No. (52) of 2006, in addition to technical ones, are directly related to resources mobilization:

1. Regulation of charges & wages for environment-related activities; development of this regulation was still on-going at the time of completion of this IFS report;
2. Regulation of Jordan Environment Fund which will provide powerful stimuli for financial resource mobilization for combating desertification; this regulation was also not yet endorsed at the time of completion of this IFS report.

3.4.2 Financial Mechanisms

Legal texts concerning desertification in Jordan generally provide specific financial frameworks to facilitate and enforce the implementation of obligations set in the related law or regulation. However these financial mechanisms do not directly address combating desertification and consist primarily of measures such as fines, sanctions and other punitive measures.

Nevertheless these measures are not always accompanied by protocols or monitoring systems that allow the verification and enforcement of these measures. It should be mentioned, as discussed above, the financial measures lack adequate punitive deterrent system, and fines and sanctions imposed are, in some cases, not consistent with the severity of the offence and do not provide the sufficient compensation for the damage caused.

Legal text of the most relevant laws is presented in **Table 3-3**. Review of the table clearly demonstrates the inadequacy of the system to deter environmental violations which affect SLM.

Table 3-3: Financial Mechanisms (punitive) in Legislations

Law	Related Articles	Legal Text
Environment Protection Law No. (52) for the year 2006	Article (18) Articles (8-11)	Any person who violates the provisions of the regulations and instructions relating to the protection of environment in the natural protectorates and national parks, shall be penalized by imprisonment for a period of not less than one week and not more than one month, or by a fine of not less than one hundred dinars and not more than one thousand dinars, or by both penalties. The Law stipulated through Articles (8-11) to protect water resources from pollution. Article (11) of the same law stipulated that: “ [1] The law forbids the throwing of any harmful materials that affects the safety of Environment, to drain or collect materials whether it were solid, liquid, gas, radioactive, or thermal in the resources of water. a) It is forbidden to store any of the materials mentioned above in item (1) of this paragraph near the resources of water as it is outlined by the minister through directives issued for this purpose, in such a way to include water reservoirs in the Kingdom and in cooperation with concerned departments. b) Every person transgress the law and carries any of the mentioned actions in paragraph (a) of this Article is imprisoned a period no less then three months and does not exceed two years or a fine no less than 10,000 J.D and does not go beyond 50,000 J.D or by both punishments, and he should undertake to remove the breach through a specified period outlined by the court according to technical report. And if he was late in carrying out the (specified) action, then the ministry undertakes to do so or authorize others to do that at the expense of the person who violates the law added to that 25 % of the costs in exchange for administrative costs. The person who violates the law will be fined additionally 50 J.D daily as a minimum or 200 J.D as a maximum for failure to comply with rectifying the breach after the end of the specified period by the court.”
The Law of Water Authority No. (18) for the year 1988 which is amended by the law (62) for the year 2001.	Article (30)	a) Each person transgress the law and committing any of the following actions will b) be imprisoned a period of six months as a minimum and two years as a maximum, or he will be fined 1000 J.D as a minimum or 5000 J.D as a maximum or by both punishments.
The Law of Jordan Valley Development No. (19) for the year 1988 amended by the law (30) for the year 2001.	Article (38)	(3) Without contradicting more severe punishment that has been outlined in other legislations; every person contradicts the regulation of paragraph (a) of this Article will be imprisoned a period no less than one month as a minimum and does not exceed three months as a maximum or by a fine no less than 50 J.D, and no more than 1000 J.D or by both punishments. The court should order the removal of the materials that have been brought in or thrown in the Valley, in a way that contradicts the Law. However this should not contradict the removal through management procedures according to the rules of paragraph (d) of Article 31 of this law.

Table 3-3: Financial Mechanisms (punitive) in Legislations

Law	Related Articles	Legal Text
Agriculture Law No. 44 for the year 2002.	Article (61)	a) It is not allowed to dispose plastic materials and the empty packages of insecticides and seedlings, which were used for agricultural purpose, in the open air. The landlord or who used these items should collect and dispose them as per instructions of the ministry. b) Any one violating the provisions of paragraph (a) of this article will be fined for thirty dinars and will be responsible for all these items and their disposal as per the instructions of the ministry. Otherwise, the governor will issue a resolution for collecting and disposing them at the expense of the offender.
Criminal Law No. (16) for the year 1960 amended in the year 2002.	Articles (455-458)	“A person will be punished by imprisonment for a period not exceeding one year, and a fine not exceeding 20 J.D if he committed one of the following acts: 1. If he is streaming in the public water whether it is granted by concession or not, or if he threw in it liquids or harmful materials to health or public comfort or preventing the usefulness of water. 2. If he throws animal fertilizers or puts dirt within the protection area for spring used by the public. 3. If he carries out any action that may pollute the spring or the water which others drink from it.”
Agriculture Law No. (44) for the year 2002,	Article (16)	“(b) Every person contradicts the regulations, issued in accordance with paragraph (a) from this Article, will be punished by a fine no less than 500 J.D and does not exceed 1000 J.D. And in case he repeated his inconsistency, the fine will be doubled, and if he repeated it again, the fine will be re doubled, and the olive pressing industry will be closed for one month.”
Jordan Environment Fund (bylaw, to be issued)		Fines for violations of environmental laws will contribute to the Fund. The fund will be used to finance environmental projects in the country and support environmental police unit

3.4.3 Financial Legislation

At present no dedicated financial mechanism exists for combating desertification or for sustainable land management (SLM). Environmental Law No. 52 for the year 2006 specified issuance of the necessary Regulations for the Environmental Protection Fund which is being finalized and expected to be adopted before the end of 2008. Nevertheless, some aspects of existing financial legislation in Jordan can have an impact, positive or negative, on resource mobilization. These are summarized in **Table 3-4**.

Table 3-4: Financial Legislation and Resource Mobilization in Jordan

Financial Legislation	Impact on Resource Mobilization
Financial by-Law No.(3) of 1994, amended in 2001 states: Article (29) The deposits in trust are those sums received or deducted as deposit in favour of their beneficiaries or to cover a certain activity. The collected funds stated in Article (30) of this By-law shall be credited by the Department in favour of third parties in the account of deposits in trust. Article (30) the deposits in trust are divided into the following types: a) Allocated Deposits in Trust: They are those assigned for disbursement on a certain activity or a specific purpose, provided that the unused balance shall be transferred, after completing the activity or achieving the purpose, to the General Revenues Account. c) Deposits in Trust of Departments, Public and Private Institutions and Individuals: They are those which are deducted, collected or retained for those who have the right thereto as a result of regulations, agreements or obligations.	Predetermination of resources destinations means earmarking of expenditures, through which parts of budget are reserved for special interests The Ministry of Finance Law No⁹. (26) of 2001 supports the creation and allocation of financing of Trusts and/or Funds This allows creation of special funds which could be used to fund SLM activities. Environment Trust Fund is one example
Financial autonomy of certain entities Water Authority Law No. (18) of 1988	Water authorities can act as vehicles to finance sustainable water management projects through support of donors or other sources of financing Loans and donations require only approval by Cabinet of Ministers
Encouraging investment and taxation climate The Investment Promotion Law No. (16) of 1995 projects in the following sectors enjoy the special exemptions specified under the law: (1) Industry; (2) Agriculture; (3) Hotels; (4) Hospitals; (5) Maritime transport and railways; (6) Leisure and Recreation Compounds; (7) Convention and Exhibition Centres; and (8) any other sectors or its branches that the Council of Ministers decides to add based on the recommendation of the Higher Council for Encouragement of Investment. These sectors are also	Private sector is encouraged in investing in new projects. Agriculture is included in the key sectors. However there is no incentive for environmentally sustainable measures. This is a major drawback of the investment promotion law.

⁹ Ministry of Finance website

Financial Legislation	Impact on Resource Mobilization
subject to a revised tax rate of 15 percent under latest amendments to the Income Tax Law. Exemptions from income tax and customs duties for projects are provided for under the Encouragement of Investment Law. All fixed assets for the project are exempt from customs duties and taxes. Net profits of the projects are exempt from income tax for up to ten years starting from the commencement of commercial production or providing services in accordance with the rates set forth, in the Other Tax Exemptions section. Furthermore, additional incentives are granted if the project undergoes expansion, development or modernization resulting in an increase of its productive capacity	
<i>Income Tax Law, No. 57 of 1985 Amending Law, No. 14 of 1995, and new tax adjustments contained therein came into effect in 1996</i> The new law offers incentives for investors in the form of tax exemptions which are weighted in favour of less developed areas. Projects in Zone A receive a 25 percent deduction; projects in Zone B receive a 50 percent deduction; and projects in Zone C receive a 75 percent deduction in accordance with the following stipulations: The shores of the Dead Sea, within a five kilometres depth from the coastline, are classified as Zone A for hotel projects. All areas of Jordan are classified as Zone C for the sectors of agriculture, animal resources and maritime transport and railways.	While the legislation encourages investment in less developed areas, hence possibly contributing to poverty alleviation, there is no link with SLM.

Legislative matrix including the overview of the selected laws and regulations is presented in **Annex 5**.

3.4.4 Factors Affecting Resource Mobilization

Several factors in the regulatory framework in Jordan appear to hinder resource mobilization, including:

- **Dispersion of authorities.** The authorization of preparation of plans and strategies related to SLM is dispersed between various institutions, such as MOE, MOA, Water Authority, etc. Consequently enforcement of punitive measures provided by the corresponding law is also distributed through the number of institutions, which makes it difficult to track revenues related to violation of laws by the Treasury as a means for disbursing these finances to environmental funds and for activities to protect environment in general.
- **Legislation is reactive** rather than proactive, laws and regulations are issued as response to problems, and issuance process is bureaucratic and slow.
- **Overlap of jurisdiction** in some areas, such as water management, where numerous governmental departments and agencies compete for jurisdiction in high visibility areas; or conversely use this overlap to shun any responsibility where this might be beneficial.
- **Inadequate punitive deterrent system.** Some of the old penalties have become inadequate as a deterrent in comparison with the magnitude of the environmental damage it deals with.
- **Inconsistencies** and ambiguities in different legislations addressing the similar issues that create loopholes for avoiding penalties.

- **Weak law enforcement** due to inadequate capacity of responsible institutions.

Factors in Jordanian legislation that are supportive to resource mobilization are as following:

- **Draft bylaw for Inspection and Enforcement**

- § The bylaw has categorized the environmental violations and identifies the environmental penalties and measures for each category:
 - Minor Violation
 - Administrative Violation
- § The bylaw has identified the way of dealing with un-licensed facilities that already exist prior to the issuance of the bylaw and those which are licensed.
- § The bylaw has identified the mechanism of remediation of the violating installations.
- § The bylaw has the flexibility while dealing with various developmental installations within the legal limits.
- § For the first time in Jordan the bylaw has introduced the concept of self-inspection and self monitoring.
- § The bylaw has set the mechanism of coordination between the Directorates in the ministry and the environmental rangers.

- **Establishment of Jordan Environment Fund** (in progress). Contributions to the fund will be composed from fines for violation of environmental laws and regulations. The Fund will be used to support environmental projects in Jordan.
- **Establishment of a directorate for Inspection and Enforcement** at MOE.

Also with respect to the legal framework, participants of the second national consultation workshop (report found in **Annex 1**) have proposed several recommendations regarding the legal framework and its impacts on resource mobilization – these included:

- Need to undertake consolidation of legislation related to environment, revising punitive system, and providing incentives for environmental investments and sustainable practices;
- New legislation should promote environmental measures in new investments/development projects (minimum green area, water efficiency requirements, energy efficiency, etc.) and create an incentives system to environmental investments should be created;
- Build on NCSA recommendations to consolidate/harmonize international treaties with national legislations and to promote synergies among the three conventions;
- Strengthen legislation in the area of Corporate Social Responsibility to provide more incentives to increase the share of private investment in environmental and social initiatives;
- Investment promotion law needs to be reviewed to integrate SLM/environmental principles.

3.5 Institutional Framework

3.5.1 Key Stakeholders

Adequate institutional arrangements are considered to be essential for the implementation of the UNCCD/NAP. Without a strong institutional framework and improved capacity, the implementation of the NAP along with the mobilization of the necessary resources has reduced chances of success. This section provides an overview of the roles of the key stakeholders in SLM and resource mobilization and explores means to improve the coordination mechanism, an essential element for a successful implementation of SLM related activities and the IFS.

The stakeholders having a role to play in combating desertification are plenty and can be divided into following categories:

- Governmental Agencies
- Semi-Governmental and Research institutes
- Non-Governmental Organizations
- Donor/Funding Agencies
- Private sector

Key **Governmental Agencies** which have a stake in resource mobilization for combating desertification include:

- Ministry of Environment
- Ministry of Agriculture
- Ministry of Municipal Affairs
- Ministry of Water and Irrigation
- Ministry of Planning and International Cooperation
- Ministry of Social Development
- Ministry of Tourism
- Ministry of Finance
- Ministry of Energy and Mineral Resources
- Water Authority of Jordan
- Jordan Valley Authority
- Natural Resources Authority
- Housing and Urban Development Corporation
- Development and Employment Fund

Semi-Governmental and Research institutes include:

- Higher Council for Science and Technology
- The Royal Scientific Society
- Research Centres at Jordan Universities
- Queen Rania Centre for Environmental Research - Jordan University of Science and Technology
- Badia Research and Development Centre
- The Hashemite Fund for Development of Jordan Badia

Several **NGOs** in Jordan are very active and represent local communities in different projects and initiatives, with different levels of effectiveness. Active NGOs include:

- The Royal Society for the Conservation of Nature
- Jordan Environment Society
- The Jordanian Society for Desertification Control and Badia Development
- The Royal Marine Conservation Society of Jordan
- Friends of the Environment

The donor community and international agencies in Jordan are relatively active and provide different types of support, from technical assistance to direct budget support; active agencies include both multi-lateral (including among others EU, World Bank, IUCN, UNDP, UNESCO, UNEP) and bi-lateral agencies (including among others USAID, AFD, JICA, KfW, GTZ, SIDA).

The role the **private sector** plays today in SLM is very limited. However it can play an important role, especially in resource mobilization.

3.5.2 Role of Stakeholders in SLM and Resource Mobilization

The role of each category institution in resource mobilization is identified, based on the institutional mandates and knowledge of the tasks that will be implemented within the strategy.

Table 3-5 presents the roles of key stakeholders in SLM and Resource Mobilization.

Table 3-5: Role of Key Stakeholders in SLM and Resource Mobilization

Public Institution	Role in CD/SLM	Role in Resource Mobilization
Ministry of Agriculture	The Ministry of Agriculture is responsible for the formulation and implementation of National Policies and programs aimed at achieving rapid agricultural growth through optimum utilization of the country's land, water, soil and plant resources. The Ministry of Agriculture is entrusted with the responsibility for collection and maintenance of a wide range of statistical and economic data relating to agriculture, land use and land degradation, required for development planning, organizing agricultural census. In addition to the implementation of projects and activities related to afforestation, forest protection, and fire fighting, rangeland development and management, soil conservation, land reclamation and water harvesting.	• Mobilization of internal resources • Link with donors • Mainstreaming SLM in own policies • Building human resources capacity in SLM
Ministry of Water and irrigation	The MWI undertakes overall planning for the development of water resources (surface water and groundwater), establishment of utilizable resources and formulation of policies for exploitation, overseeing of and support to the country level activities in groundwater development. The Ministry formulates the national water resources development perspective and determines the water balance of different basins/sub-basins for possible inter-basin transfers. Another important responsibility is to negotiate with neighbouring countries with regard to sharing waters, water resources development projects and the operation of joint projects.	• Mobilization of internal resources • Links with donors • Ensuring sustainable water resources is well integrated in MWI's policies to ensure financing of sustainable activities • Building human resources capacity in sustainable water management principles
Ministry of Environment	The Ministry of Environment is responsible for planning, promoting and coordinating the environmental protection in the country. In the framework of sustainable development, a number of guidelines have been prepared for major development projects concerning energy, infrastructure, transportation, etc. which take into account impact assessment of the project and suitable measures for conservation of environment. Focal point of UNCCD.	• Mobilization of internal resources • Promotion of innovative financing resources • Lead NCCD and coordination among stakeholders • Dissemination and leading role in implementing the resource mobilization strategy • Links with donors
Ministry of Planning and International Cooperation	MOPIC is responsible to review and coordinate planning of the different institutions in the country. It is also entrusted with coordination with donors. Non direct role in SLM.	• Facilitate linkage with donors • Main role in IFS development
Ministry of Social Development	The Ministry of Social Development undertakes a number of activities, programs and services in areas such as the family, childhood, social defence, local societies development and poverty alleviation. Activities associated with these issues are numerous, including planning, follow-up and improved performance, resulting in added dedication towards achieving the profound objectives sought in developing the human	• Mobilization of internal resources • Links with donors • Ensuring linkage between SLM

Public Institution	Role in CD/SLM	Role in Resource Mobilization
	being.	and poverty alleviation strategies
Ministry of Municipal Affairs	The Ministry of Municipal Affairs supervises all activities related to the local administrative issues of the municipal councils in terms of providing services and all regulatory issues, as well as the implementation of local development projects, and the coordination of the activities and plans of these councils, to be in line with developmental issues in the entire Kingdom. The Ministry also functions as the technical, financial and administrative advisor for all the municipal councils, and supervises, through its apparatus and teams, the action of the councils and the local organizations to make sure that their actions are in line with the current laws and regulations.	• Mobilization of internal resources • Support mobilization of municipal resources • Ensure SLM is integrated in local development plans
Jordan Valley Authority	The Jordan Valley Authority manages, and protects water and land resources and their supporting infrastructure in the Jordan Valley. Its extends from Al-Yarmouk river in the north to the Red Sea in the south, covering areas below 300m MSL north of the Dead Sea and below 500m MSL south of the Dead Sea. Its field of work includes the development of water resources of the Jordan Valley and their utilization for purposes of irrigated agriculture, domestic and municipal uses, industry, hydropower generation and other beneficial uses. Also, the protection and conservation of these resources, and the implementation of all works related to the development, utilization, protection and conservation thereof.	• Mobilization of internal resources • Links with donors • Ensure integration of SLM and sustainable water resources in its policies and projects
Natural Resources Authority	Main responsibilities of the Natural Resources Authority: • Suggest policies to investigate, develop and exploit energy and mineral resources. • Explore and prospect for mineral resources in the form of executing geological, geophysical, geochemical, technical, and economical studies. • Adopt plans and programs to administer laws and regulations in various fields of mineral resources. • Issue permits and licenses for prospecting explorations, mining, quarrying and mineral rights certificates. Coordinate cooperation with various international Entities. • Supervise all hydrocarbons activities within the borders of Jordan including granting concession, exploration and exploitation international agreements. • Participate in locating dam sites and water collecting ponds that aim at water harvesting and recharge of groundwater. • Support projects aiming at soil rehabilitation using available natural resources such as volcanic tuff. • Other duties assigned to NRA by the Council of Ministers such as investment promotion activities in mining.	• Mobilization of internal resources • Links with donors • Ensure SLM is integrated in its policies and projects
Ministry of Tourism - Department of	The role of the Ministry of Tourism in its both departments, Department of Tourism and Department of Antiquities, is mainly through promoting ecotourism, especially that many touristic sites are located in areas with vulnerable environment.	• Mobilization of internal resources • Links with donors • Ensure SLM is integrated

Public Institution	Role in CD/SLM	Role in Resource Mobilization
Tourism and Department of Antiquities		
Water Authority of Jordan	Responsibilities of the Water Authority of Jordan include: • Survey the different water resources, conserve them, determine ways, means and priorities for their implementation and use. • Develop the potential water resources in the Kingdom, increase their capacity and improve their quality, protect them from pollution, supervise them and administer their affairs and put forth programs and plans to meet future water needs by providing additional water resources from inside or outside the Kingdom and through the use of water treatment and desalination. • Regulate, and advise on, the construction of public and private wells, investigate ground water resources, drill exploratory, reconnaissance, and production wells, and license well drilling rigs and drillers. • Study, design, construct, operate, maintain, and administer water and public sewerage projects including collecting, purifying, treating, disposing and the use of any other methods dealing with water. • Draw terms, specifications and special requirements in relation to the preservation of water and water basins, protect them from pollution, and ascertain the safety of water and sewerage structures, public and private distribution and disposal networks, and take the necessary action to ensure technical control and supervision, including all necessary tests. • Carry out theoretical and applied research and studies regarding water and public sewerage to achieve the Authority's objectives including the preparation of approved water quality standards for different uses and technical specifications concerning materials and construction in order to apply the findings to the Authority's projects in coordination with other concerned departments; and publish the final findings and standards so as to generalize their application by all means available to the Authority. • Issue permits to engineers and licensed professionals to perform public water and sewerage works; and participates in organizing special training courses to qualify them in order to improve the standard of such works and to reduce water losses and pollution. All those involved in water and sewerage works are requested to adjust their practice in accordance with the provisions of this Article and to obtain the specified permit accordingly. • Regulate the uses of water, prevent its waste, and conserve its consumption.	• Mobilization of internal resources • Links with donors • Financial autonomy can be used to implement sustainable water resources initiatives • Ensure sustainable water resources management in its policies and projects
Housing and Urban Development Corporation	Responsibilities of the Housing and Urban Development Corporation include: • Implement the National Housing Strategy and draft necessary legislations. • Conduct surveys within regional developmental units to find new residential areas in places of population expansion in and out of municipalities and zoning areas, and also locating new populated areas. • Conduct demographic, social, economical, health and environmental studies relevant to housing and urban development to determine residential needs and provide the necessary services in overly populated areas. The Corporation also works on eradicating random buildings and helps provide residents with	• Mobilization of internal resources • Links with donors • Ensure SLM is integrated in its policies and projects

Public Institution	Role in CD/SLM	Role in Resource Mobilization
	proper housing. • Promote and develop handicrafts and vocational training programs in areas where the Corporation has housing projects. • Facilitate with funding bodies loans for beneficiaries from housing and urban development projects.	
Development and Employment Fund	The Development and Employment Fund aims to "enable poor, low-income or unemployed individuals, families and groups to work and produce for the purpose of contributing to combating poverty and unemployment". In order to achieve that, the Fund contributes with the following: • Providing suitable financing, directly or indirectly, to beneficiary individuals, families and groups on easy terms. • Qualification and rehabilitation for professions never previously prepared for, or sharpening skills and improving performance in current profession beneficiary. • Helping individuals and volunteer local societies and institutions develop their capabilities in order to set and prepare small projects directed at Fund's beneficiaries. • Conducting scientific research and field studies to identify projects that could enable the beneficiary to achieve the Fund's objectives and activities. • Coordinating efforts with institutions working in the areas of social and productive work, in order to prevent duplication of financing and project establishment.	• Mobilization of internal resources • Links with donors

3.5.3 SWOT Analysis

SWOT analysis of key institutions and their strengths and weaknesses in terms of facilitating inter-sectoral coordination, influencing policy formulation, leveraging donors and mainstreaming land degradation into strategic development frameworks, particularly into national development plans and poverty alleviation strategies is presented in **Table 3-6**. The SWOT analysis was developed based on:

- Bilateral meetings with personnel from analyzed institutions
- Experience of agencies dealing with the analyzed institutions
- Analyses developed for previous projects
- Personal experience of the team members

Table 3-6: SWOT Analysis of Key Institutions

Organization	Strengths	Weaknesses	Opportunities	Threats
Ministry of Planning and International Cooperation (MOPIC)	• Has the GOJ mandate for the coordination, consultation, implementation and reporting on poverty alleviation. • Insures liaison with donor/financier community. • Well established with qualified staff. • Incorporates the Technical Assistance Units responsible for monitoring and evaluation of sectoral performance. • Knowledgeable of socio-economic policies, programmes and priorities. • Has relevant experience in carrying out multi-sectoral development initiatives through sub-contracting national NGOs. • Has an operational unit to support economic development and initiative specifically for the provision of business development services to small entrepreneurs, both rural and urban.	• Problems with coordination with other line ministries • No representation at the Governorate and District levels. • Limited M&E capacity below the sector level. • Direct support activities are of short duration with limited funds. • Bureaucratic procedures for disbursement and excessive complexity for processing disbursements from loan funds.	• Leads GOJ budgetary reform process to mainstream poverty • Is responsible for implementation of Social Productivity (SPP) and Enhanced Productivity Projects (EPP) through community development approach. • Can be a stronger principal participant in the projects boards and a mentor of projects executive cadre.	• Politically motivated decisions may misdirect investment resources.
Ministry of Agriculture (MOA)	• Responsible for design and implementation of agricultural, livestock and forestry sector policies • Clear vision on agricultural development set out NSADP 2000-2010. • Good project implementation experience and has a Projects Directorate. • High commitment to rural poor	• Limited analytical and monitoring capacities • Insufficiency of specialized and well trained staff in terms of monitoring and evaluation, extensions services, planning and research • Insufficiency of financial resources allocated for purposes of building capacity,	• By virtue of its field presence, the MOA has the capacity to provide implementation support through high-level staff in the Programme area. • MOA has an important role to play with respect to adopting participatory approach. • Possibility to develop sector and sub sector wide approaches	• Dependency on political broad based support to implement actions outlines in the NSADP. • Conflicting interest of other agencies (e.g. NCARE) which form part of the agricultural sector establishment. • Changes in overall sector policies and institutional and organizational arrangements.

Table 3-6: SWOT Analysis of Key Institutions

Organization	Strengths	Weaknesses	Opportunities	Threats
	households. - Has developed a cautious, rational approach to export promotion based on project experience. - Under the Department of Forests, has built-up valid experience on financial CBO's through the GTZ-supported PACD project. - Has some experience in subcontracting.	extensions and projects proposed for rangeland and forests rehabilitation		
Ministry of Water and Irrigation (MWI)	- Strong field presence. - Well established with qualified staff at the Governorate level. - Well defined strategy for water conservation under conditions of unachievable cross sector demands.	- Under conditions of chronic water insufficiency focus is placed on domestic supply and quality. - Limited capability in irrigation water management in the Highlands. - Limited resources to implement the new Groundwater Control Act.	- Well qualified decision makers - Has a fundamental role in the regulation and improvement in efficiency of line of river networks and small springs' water users groups. - Has a sound understanding of the forecast of Jordan's water balance and supply situation for agriculture	- Continuing deterioration in the availability and quality of water supply available for the agricultural sector. - Resistance of producers and health authorities to the use of grey water for irrigation.
Ministry of the Environment (MOE)	§ Responsible for conservation of biodiversity and fulfilment of obligations resulting from international environmental agreements and conventions. - New comprehensive mandate and legal instrument to monitor and protect the environment. - Addresses soil and water issues and grants environmental impact permits for all economic activities. - Ensures compatibility of agricultural	- Newly formed with limited experienced staff. - Limited operating resources and budget. - Limited enforcement capacity.	- Contribution towards adoption of policies on sustainable development and management of natural resources. - Opportunity to participate and improve coordination of regional, Governorate and District level integrated NRM planning and development approaches - Link activities with MOA on shared responsibilities. - Participate in joint public	- Political pressure from economic groups may hinder MOE from fulfilling its mandate. - Local governments may not incorporate environmental considerations as required by legislation.

Table 3-6: SWOT Analysis of Key Institutions

Organization	Strengths	Weaknesses	Opportunities	Threats
	activities and the environment and management of natural resources. • Nationwide presence with regional offices.		information projects and programmes.	
Ministry of Social Development (MOSD)	• MOSD has a strategic plan (2005-2010). • Executive consists mainly of women and is well equipped to manage gender issues and social services. • Mandate for registration of CBO's (except cooperatives) and associations, and has a mandate to support community development. • Sponsorship of General Union of Voluntary Societies.	○ Staffing levels at Governorate and District level are low. ○ The ministry is not adequately funded for intervention in rural areas; its main focus is on the unemployed and destitute in urban areas.	• Implementation of pro-women initiatives; affirmative action leading in the mainstreaming of gender matters in public and private institutions. • Potential to provide continuum between the rural and urban sector.	• Lack of coordination between MOPIC, MOA and MOSD. • Political pressure to focus on urban pockets of poverty.
Ministry of Public Works and Housing (MPWH)	• Well established with presence at Governorate level. • Qualified personnel. • Good policy support.	• Limited operating budget.	• Can utilize experience and expertise to facilitate project implementation of physical service infrastructure. • A key project implementer of the rural access roads.	• Reliance on loan funds for agricultural access roads improvement.
Local Governments	• Budgetary allocations from the central government. • Independent financial management.	• Dependency on central government funding limits implementation of activities. • Limited coordination with national government projects and programmes. • Limited technical capacity and monitoring and evaluation mechanisms.	• Clear targets and available resources to support local governments provide an opportunity to further decentralization together with political will on the part of the donor community.	• Use of local governments for political purposes. • Lack of transparency in the allocation of resources which may result in cancelling disbursements. • Poor technical judgment and politicization of investment and selection of beneficiaries.

Table 3-6: SWOT Analysis of Key Institutions

Organization	Strengths	Weaknesses	Opportunities	Threats
Jordan Badia Research and Development Centre	• Experience in rangeland rehabilitation and development. • Good management and implementation capacity, working with MOA. • Experience with rural business development services	• Established NGO with a broad base of successful interventions, but tends to take leadership role with consequence that beneficiaries are passive participants.	• Potential partner in natural resources management and outreach of rangeland user groups in the Badia. • Improved cost-effectiveness of rangeland interventions.	• Reluctance to adopt participatory approaches to natural resources management, leading to continued passive attitude of users.
The Hashemite Fund for Development of Jordan Badia (HFDJB)	• Royal Patronage. • By law, HFDJB is mandated to oversee development of the Badia (arid lands of Jordan) • Experience in rangeland rehabilitation and community development with ability to mobilize local communities. • Good management and implementation capacity, working with line ministries.	• Limited funds.	• Potential partner in natural resources management and outreach of rangeland user groups in the Badia. • Preferred national institute to manage and implement projects in the Badia because of its good local knowledge.	• Working in wide area could cause stretching resources thin

3.5.4 Coordination Framework

As described in the previous section, there are several national stakeholders, in addition to international ones described later in the report, having a stake in SLM and resource mobilization. Given the multitude of stakeholders involved, the effective implementation of NAP and IFS would require the availability of an efficient mechanism to ensure successful coordination among all concerned actors.

Several coordination platforms have been identified that are directly or indirectly related to SLM and resource mobilization. These include:

1. The National Committee for Combating Desertification (NCCD)
2. The Government-donor coordination working group with sub-groups of water and agriculture, environment, poverty alleviation and local development, and trade and investment having direct links to SLM
3. Donor-lender group with a donor-lender environmental sub-group established in 2006.

The National Committee for Combating Desertification (NCCD) has been recently reactivated and reformed according to a Ministerial Decree dated July 19th, 2007. The NCCD is headed by the MOE Secretary General in addition to two representatives from:

- Ministry of Environment
- Ministry of Planning and International Cooperation
- Ministry of Water and irrigation
- Ministry of Agriculture
- Jordan University
- Jordan Badia Research and Development Centre
- The Hashemite Fund for Development of Jordan Badia
- Jordanian Society for Combating Desertification and Badia Development
- Environmental Compensation Unit at MOE

Several impediments, hindering the effective work of NCCD, were identified:

- Overlapping and duplication of duties in several governmental agencies with regard to environmental concerns;
- Unclear identification of mandate and responsibilities of different agencies (TOR's);
- Unclear work plan of the committee;
- Lack of legislative, technical and/or financial incentives for participation in NCCD;
- Different levels of combating desertification priorities in different agencies;
- Insufficient level of awareness and lack of institutional capacities dealing with desertification issues.

The second relevant mechanism is the **Government - Donor Coordination Working Groups**, created by MOPIC in light of its ongoing efforts to further enhance donor coordination and aid effectiveness, and to enable more focused and in-depth discussions on priority sectors with key donors and stakeholders in each sector. The main objective of establishing these working groups is to develop a structured and technical level dialogue with donors on Jordan's developmental

needs and priorities, and better coordinate development assistance efforts in the various priority sectors.

These working groups are established in the areas of:

- **Water & Agriculture**
- **Environment**
- **Poverty Alleviation and Local Development**
- Education and Vocational Training
- **Energy**
- **Tourism**
- Health
- **Trade and Investment**
- **Good Governance**
- Gender

Most of the working groups (highlighted in bold) are directly or indirectly related to SLM. The working groups include experts in each area (sector) representing Ministry of Planning and International Cooperation, relevant line ministries, and donor's community.

The tasks of the working groups would be to:

- Discuss challenges facing the different sectors.
- Discuss the government initiatives, strategies / policies and priority projects.
- Review progress made on donor –supported programmes and projects, as well as examine major issues / constraints related to activities implemented in each area.
- Discuss progress towards the development and elaboration of sector specific combined sources budget (Government budget and Donor budgets) directly or through the provision of technical assistance.
- Report to the Strategy Level Meetings where there is a need for senior intervention to enable achievement of compact goals.
- Comment on emerging issues and recommend corrective actions to the relevant Government Working Group or raise in the relevant government-donor working group meeting.
- Review and recommend the Donor Coordination Working Groups minutes of meetings prepared by the Ministry of Planning and International Cooperation.

The third mechanism is the **Donor-Lender group**, which was established in 2000 as a donor community initiative, including representatives of all embassies and missions. Meetings are held on a monthly basis, arranged by RC (Resident Coordination) unit. In 2006 a Donor-Lender Environmental Subgroup was established. Position papers are prepared by each agency, and summarized and updated regularly as position papers for the sub-group. The donor-lender group initiative aims at improving donor country harmonization of investments.

It is also noteworthy that MOA in cooperation with FAO implemented a project entitled "The Drought Mitigation Strategy in Jordan" which ended mid of 2007. A National Strategy and Action Plan for drought management has been prepared, and final recommendations and conclusions were discussed in a national workshop held for this purpose. One of the key recommendations

was to establish a high level representation committee headed by the Prime Minister and membership of the following institutions:

- Ministry of Agriculture
- Ministry of Environment
- Ministry of Interior
- Ministry of Planning and International Cooperation
- Ministry of Water and Irrigation
- Royal Jordanian Geographical Centre
- Meteorological Department
- Research Centres
- Governmental and non-governmental organizations

This committee would be primarily responsible for the follow-up of the implementation of the developed strategy and action plan. Limited information on status of this committee was available to the IFS development team at the time of completion of this report – it is likely that the committee is still inactive. Nevertheless, it is highly recommended that the NCCD coordinates with this Drought mitigation Committee to build on synergies and avoid duplication of efforts.

The above described mechanisms are only those directly relevant to SLM and Resource mobilization; there are several coordination platforms in Jordan, which may need consolidation if efficient coordination is sought.

While the NCCD is mandated to coordinate desertification and SLM issues in Jordan, it is currently failing to effectively undertake its role. **Table 3-7** provides an assessment of possible coordination platforms based on discussions with stakeholders as well as possible mandates of the coordination platform, including:

1. Follow-up policies, plans and programmes (PPPs) related to CD/SLM;
2. Follow-up implementation of IFS;
3. Follow-up implementation of UNCCD;
4. Follow-up topics related to desertification.

The analysis shows that NCCD would be a suitable platform but needs substantial support to become fully operational. Participants of the second national workshop seemed also to agree that the NCCD would be a suitable coordination platform to be strengthened.

Table 3-7: Analysis of Coordination Platforms related to SLM

Coordination Body	Follow-up PPP's related to CD/SLM	Follow-up IFS	Follow-up implementation of UNCCD	Follow-up topics related to desertification
MOE	- Is mandated to fight desertification - Does not have resources to follow-up all sectors	- Limited capacity to follow-up alone	- Is UNCCD focal point	- Legally mandated
MOPIC	- Is mandated to follow-up implementation of PPP's - Not directly responsible though of CD/SLM	- Strategically positioned to follow-up IFS with its direct relationships with donors and other line ministries	- Not responsible	- Not responsible
Government-donor lending groups	- Related sub-groups can follow-up but separately	- Good platform to follow-up with external donors	- Not mandated	- Not mandated
NCCD	- Main sectoral institutions already represented – may need to add MOSD - MOA will be responsible for IMS and NCCD can be a good platform to inform other SH's on progress	- Donors are not represented – however MOPIC can secure this coordination - Does not include MOF	- Created for this purpose	- Created for this purpose

Appropriate

Appropriate with constraints

Not Appropriate

3.6 National Planning Process in Jordan

3.6.1 Main Policy Formulating Organs

In Jordan, the Central Government comprising of Parliament, Prime Ministry and Cabinet of Ministers sets national priorities and develops National Development Plans such as the National Agenda 2006 – 2015.

Ministry of Planning and International Cooperation (MOPIC) guides and coordinates Government socio-economic policies, programmes and priorities, and enhances international cooperation aimed at addressing Jordan's priorities.

Ministry of Environment is responsible for planning, promoting and coordinating the environmental policy framework in the country.

Ministry of Agriculture is responsible for the formulation and implementation of National Policies and programs aimed at achieving rapid agricultural growth through optimum utilization of the country's land, water, soil and plant resources.

Ministry of Water and Irrigation is responsible for the overall planning, policy formulation, coordination and guidance in the water resources sector.

Ministry of Social Development plays an important role in addressing the needs of the rural poor in both the highlands and the Jordanian Badia, and is responsible for preparation of national poverty alleviation strategy.

Civil society organizations in Jordan, including foundations sponsored by the Royal Family, international and national NGOs, cooperatives, farmers' representative organizations, industry representative bodies and research institutions, facilitate the use of the acquired knowledge on human and natural resource bases in the preparation of policies, strategies, and activities for development at the national level.

3.6.2 Review of the Policy Framework

The Second National Economic Forum was held in 2001 with the aim of formulating national strategies to reassess policies in the following areas: agriculture, administrative reform, investments, cultural and civic education, rural development, human resource development, and governorates' development.

An array of sectoral strategies has been prepared, in some cases not coherent with each other, and overlapping in similar issues.

In response to the situation, the National Agenda initiative was launched in February 2005. The goal of the National Agenda is to set guidelines, programs, and strategies to reform Jordan's political, educational, social welfare, and state financial systems over the next decade, outlining policies to which successive governments would be committed.

The National Agenda Steering Committee was formed by a Royal Decree issued on the 9th of February 2005, to develop the National Agenda. The Committee comprised of representatives from the Government, Parliament, civil society, the private sector, media and political parties.

The National Agenda 2006 – 2015 was based on extensive research, and integrated inputs from key players and organizations from within and outside Government. The Ministry of Government Performance was established within the Prime Ministry to assist the Council of Ministers to develop the National Agenda, and to monitor and report on its implementation by means of key performance indicators. The aim is to achieve consistent policies and ensure that they will not be subject to government changes while taking into account the need to regularly develop and update these policies.

The National Agenda presents a comprehensive guiding framework and a roadmap towards political, economic and social development.

In response to the objectives and guidelines, set by the National Agenda, the MOPIC in cooperation with the relevant line Ministries, prepared the 3-year National Development Action Plan. Sectoral development plans, aligned with the National Development Plan were prepared, based on the sectoral strategies and National Agenda.

Project-based programmes are incorporated in sectoral development plans, and the high priority projects are included in the plans.

In general the policy framework in Jordan follows the policy framework hierarchy as presented in the **Figure 3-1**.

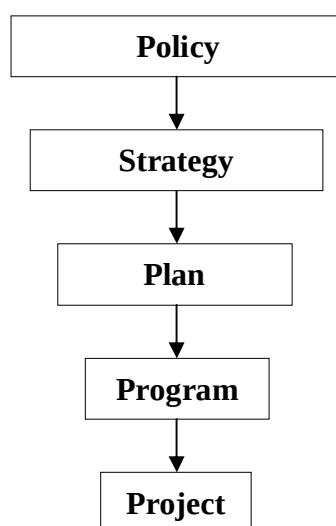


Figure 3-1: Policy Framework Hierarchy

Figure 3-2 illustrates the policy development framework articulating around poverty alleviation.

Similar to this example, the main policy guiding framework in Jordan is the National Agenda and “We are All Jordan”. Trickle down from these will follow sectoral strategies, plans, programs and projects.

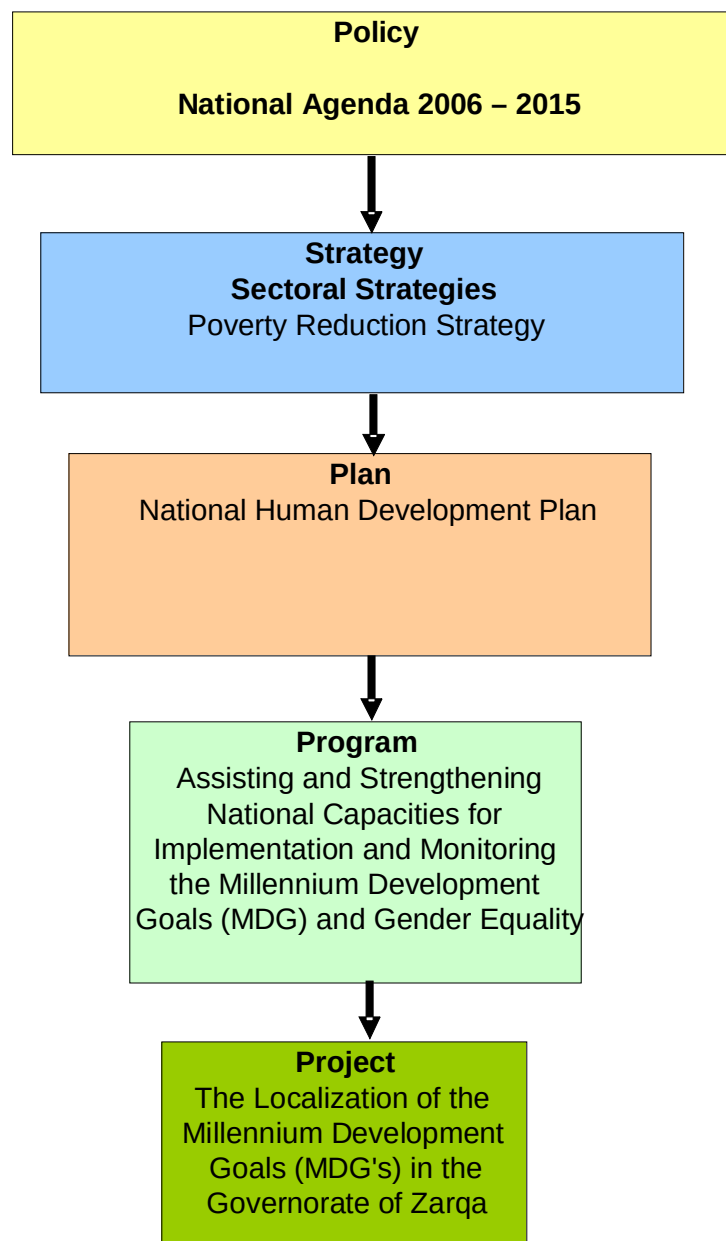


Figure 3-2: Poverty Alleviation in the National Policy Development Framework

Three-year development plans or executive programmes have become an integral part of the planning process. MOPIC is the focal point for preparation of the 3-year development plans which replaced the annual plans.

According to the planning guidelines, specified in National Agenda 2006 – 2015, the line Ministries, governmental institutions, NGOs have prepared corresponding development strategies that include development priorities for each sector, programmes and specific projects for implementation of the strategies. In order to mainstream the development programmes, avoid duplications and maximize benefits, the proposed projects are submitted to the relevant departments in MOPIC.

Technical Committees/Groups are formed, consisting of representatives of all relevant organizations and institutions, including the private sector organizations, such as Chamber of Commerce in order to evaluate the submitted strategies and programmes, and to develop the sectoral development plans.

Developed sectoral plans are submitted to the Executive Committee, responsible for the preparation of 3-year National Development Plan, chaired by the Secretary General of MOPIC, other members of the Committee include:

- Ministries representatives;
- Government organization representatives;
- Other members in accordance with the Planning Law No. 68 for the year 1971, Article 7.

“Members of the Board of Directors other than Government members who are specified on the basis of their posts shall be appointed from among those who possess qualifications and experience by a Royal decree based on the Council of Ministers resolution and the President's recommendation, for a period of five years, provided that they are not from among members of the Parliament or those who have private interests in the development projects.”

The National Development Plan/executive programme includes specific sectoral programmes and projects, and defines the implementation, estimated budget and sources of funding for the stated projects. The National Development Plan includes “pipeline” projects, as well as sensitive on-going projects.

The 3-year National Development Plan is a dynamic and flexible document that allows inclusion of the urgently needed projects by justification of the needs for such projects and approval by the Cabinet of Ministers. Inclusions/amendments to the plan can also be made by a Royal Decree.

The planning process flowchart and the possible entry points are presented in **Figure 3-3**. The process takes approximately one year and follows closely the budgetary cycle.

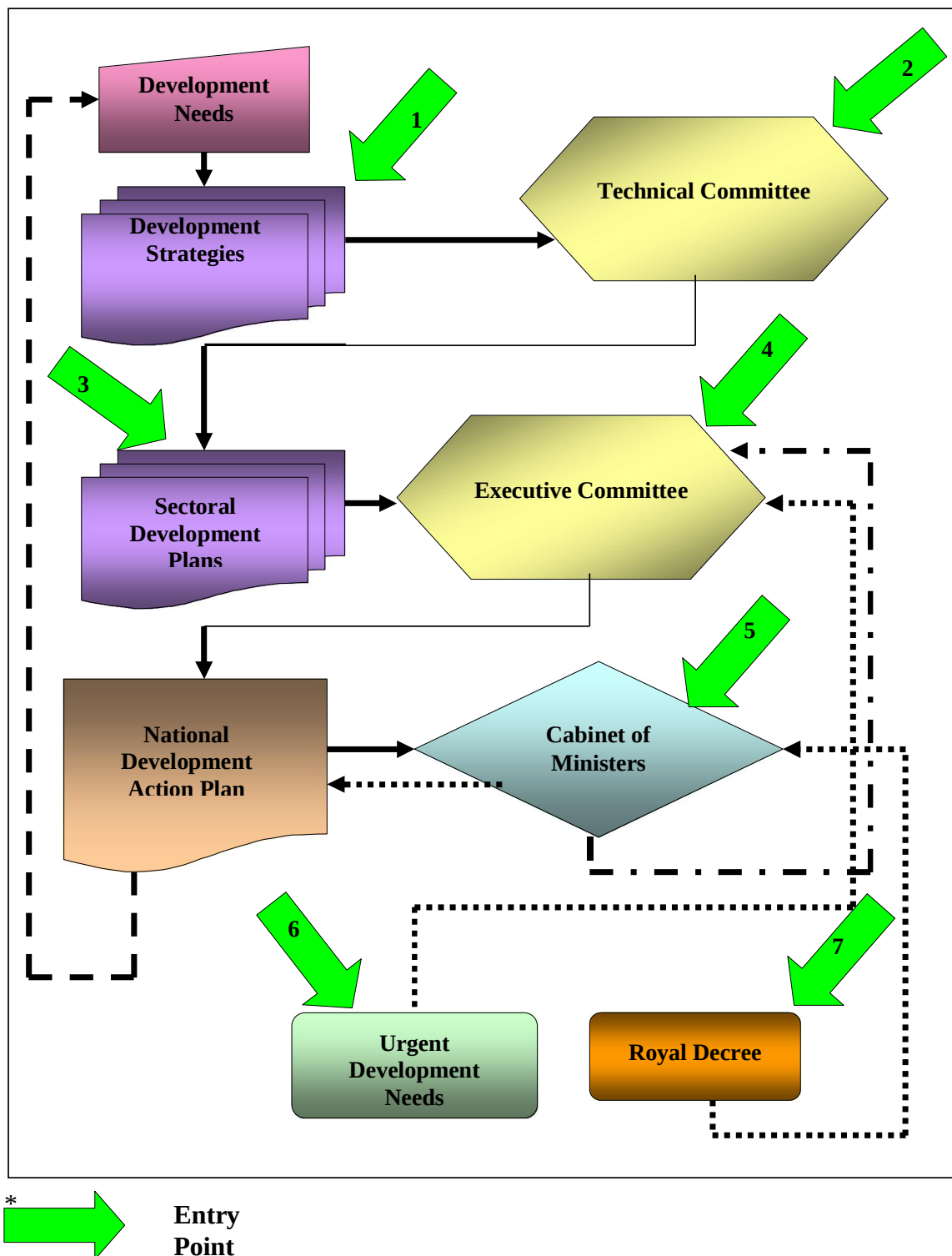


Figure 3-3: Planning Process Flowchart

The 3-year development planning process is a flexible mechanism that allows SLM to be integrated at almost any stage of the planning process:

1. In sectoral strategies by giving the priority to projects related to combating land degradation and desertification
2. Through the Technical Committees by justifying necessity of the SLM related programs
3. Through Inclusion of SLM related programs/projects in sectoral development plans
4. Through Direct appeal to the Executive Committee
5. Through Inclusion of SLM related programs/projects in the national development plans
6. Through Justification of necessity of the SLM related projects to the Cabinet of Ministers
7. Through Direct appeal to the Royal Court

The 2007-2009 executive programme includes seven themes, with the infrastructure upgrade theme including several areas directly related to SLM such as water, agriculture, tourism and environment. The environment sub-theme has been allocated a budget of 32 million JD for this period, whereby only 250,000 JD were allocated for desertification projects, namely a periodic review of desert areas and maps, implementing a monitoring unit, economic surveys for desert areas, and documentation of desertification processes. There seems to be actually limited links between these measures and the NAP projects – confirming the lack of influence/coordination of MOE, which needs to be strengthened.

On the other hand, other SLM related initiatives were allocated significant budgets for the period 2007-2009, which could be used as co-financing and leveraged by further donor support. These include:

- 10 million JD for water quality protection projects;
- 5 million JD on ecosystem protection projects;
- 15 million JD to develop unconventional water resources;
- 3 million JD for water demand management;
- 3 million JD on renewable energy resources;
- 15 million JD related to sustainable agricultural practices.

3.6.3 Relevant National and Sectoral Policies in Jordan

Planning and policy formulation in Jordan prior to the 1990s were based on sector-specific approaches with limited consideration for environmental concerns. The National Environmental Strategy (NES), which was formulated by a national consultation process led by the Ministries of Municipalities, Rural Affairs and the Environment, was the first environmental strategy in Jordan and in the Arab region. It has responded in content and recommendations to a large extent to the famous "World Conservation Strategy" of 1980 that was formulated by IUCN, UNEP and WWF.

Based on the NES, Jordan signed and later ratified the Convention on Biological Diversity (CBD) and the UN Framework Convention on Climate Change (UNFCCC) in 1992 during the Earth Summit. Two years later, Jordan signed and then ratified the UN Convention to Combat Desertification (UNCCD) in 1996.

The National Environmental Action Plan (NEAP), 1995, was prepared in a national consultation process coordinated by the Ministry of Planning and it included a prioritized action plan based on results.

In 2000 Jordan launched its multi-sectoral National Strategy for Sustainable Development which was called "Jordan Agenda 21" with technical and financial support from UNDP. The Jordan Agenda 21 involved the participation of numerous organizations and individuals and was the most important participatory and learning-by-doing policy formulation effort in Jordan to date.

Between 1998 and 2006 an array of sectoral policies, strategies and action plans were developed and provided basis for a solid policy framework. A total of 17 environmental related policies and action plans, presented in **Table 3-8** in chronological order (and not from higher to lower tier) were developed between 1998 and 2006 encompassing water, poverty, agriculture, tourism, biodiversity, energy, youth, socio-economic development plan, childhood and desertification. It has been indicated in the table whether SLM principles were adequately integrated into these policies based on a preliminary analysis from the IFS development team. A more detailed description of these policies is presented in **Annex 6**.

In reviewing these strategies, one can notice that sustainability principles, at least in theory, seem to be well integrated, in the exception of few policies, such as the poverty reduction strategy, where linkage between SLM and poverty reduction is still weak. However, implementation of these strategies seems to be the problem based on interviews with stakeholders. There is also limited monitoring and evaluation capabilities to assess the impact of the policies on land management and desertification. Also level of implementation is hindered by limited financial resources.

Last but not least, implementation of these policies appears to be quite isolated from each other, providing limited opportunities for synergies. Combining those measures directly related to SLM into one comprehensive umbrella programme could offer an opportunity to lead the way to a coordinated implementation of SLM initiatives. During the second consultation workshop this point was raised and is further assessed in this report.

Table 3-8: Selected Environmental and Sector-Specific Policies in Jordan

No.	Policy	Issued by	Year	Integration of SLM Principles
1	National Environmental Strategy	Ministry of Municipal, Rural Affairs and Environment	1992	- Catalogued all environmental pressures and problems and contained more than 400 specific recommendations and suggested actions in the field of environmental protection and conservation - Identified legal and institutional strengthening in environmental sector as key priorities - Focused on cross-sectoral priorities such as water resources management - Linkages with other national policies and strategies remains weak indicating limited cross-sectoral integration of environmental principles
2	National Environmental Action Plan (NEAP)	Ministry of Planning	1995	- Identified 41 environmental priority needs, which included the needs of four cross-sectoral environmental management capacity building and 37 sectoral environmental actions - Three priorities are directly related to SLM: (1) development of national land use planning system; (2) preservation of forest lands and (3) urban and regional land use planning
3	Water Strategy and policies	Ministry of Water & Irrigation	1998	- The strategy stressed the need for improved water resources management with particular emphasis on the sustainability of present and future uses - Special emphasis was given to protect Jordan's water resources against pollution, quality degradation, and depletion
4	Poverty Reduction Strategy	Ministry of Social Development	2001	- Policy objectives include improving the social safety-net for the poorest of the poor, improving employment opportunities for those capable of working, providing access to education, and assuring access to healthcare - The Poverty reduction strategy does not reflect a deep and clear understanding and appreciation of the "sustainable livelihoods" concept and the linkages between poverty eradication and natural resources management
5	Jordan Agenda 21	The General Corporation for the Environment Protection (now MOE)	2002	- Agenda 21 demonstrated an umbrella document that identified combating desertification as a national priority and promotes its integration into the national policy and called for the involvement of all stakeholders in the implementation of proposed programmes and actions - Introduced the concept of "integrated resource management" by linking the sectors of water resource management, land resource management,

No.	Policy	Issued by	Year	Integration of SLM Principles
				agricultural resources, energy resources and mineral resources The outline of the Agenda 21 failed to integrate biodiversity issues within the "integrated resource management" section, and placed biodiversity under the section on "natural and cultural heritage" providing little conceptual linkages with natural resource management
6	National Strategy for Agricultural Development	Higher Socio-economic council	2002	- The strategy stressed on sustainable agriculture and protection of natural resources. Comprehensive and covered most issues of biodiversity conservation and sustainable use in addition to combating desertification - Conservation of land, water and natural vegetation, through the sustainable utilization that ensures long-term agricultural production. - Conservation of Jordan's biodiversity in parallel to sustainable agricultural development. - Improvement of the technical and managerial capabilities of the agricultural sector to cope with probable climate and environmental changes, and absorb their consequences. - Halting unplanned expansion of urban areas on agricultural land that are violating current legislation of prohibiting building on agricultural land, through denial of services to these buildings. - Combating desertification and protecting the environment, the agro-biodiversity and agricultural resources, to secure requirements for sustained development. - Conservation of agricultural land by controlling soil erosion in steep mountainous areas, through improved agricultural practices and water conservation measures.
7	Biodiversity Strategy and Action Plan	Ministry of Environment	2002	Proposed projects fall under the 5 following categories which have strong linkages with SLM principles:" - Protection of Biological Resources. - Sustainable use of biological resources. - Reducing the impact of mining on biodiversity. - Promoting integrated land use planning and water resources development within the existing land tenure system. - Working towards a biodiversity-oriented society

No.	Policy	Issued by	Year	Integration of SLM Principles
8	National Population Strategy	Higher Council for Population	2002	- The National Population Strategy was prepared and launched in 2002 and it included seven strategic sections with one section focusing on "Population, the environment and natural resources" - Main objectives of this theme included (1) Reducing the imbalance between water supply and demand, (2) Reducing the imbalance between the local demand for and the local supply of food products, (3) Increasing the level of efficiency in the utilization of local energy resources, (4) Achieving a better balance between the population size and environmental conditions, where the population in the arid zone is characterized by a high birth rate, (5) Achieving a better balance in the geographical distribution of the population between urban and rural areas
9	National Tourism Strategy	Ministry of Tourism	2004	- The tourism strategy states a mission that "Jordan will develop a sustainable tourism economy through a partnership of government, the private sector and civil society to expand employment, entrepreneurial opportunity, social benefits, industry profits and state revenue" - The strategy states that tourism development in Jordan will be sustainable and characterized by (1) Preserving the environment and adopting ecologically sound policies; (2) Respecting the lifestyles and cultures of the people and communities; (3) Balancing the principles of profits with the need for socially responsible business practices - The strategy does not take into consideration some basic "sustainable tourism" principles including (1) carrying capacity, (2) Conservation and sustainable use of natural resources, (3) Developing guidelines for management of natural heritage sites and (4) considering ecotourism sites as assets for national tourism
10	National Youth Strategy	Higher Council for Youth	2004	- It has included nine specific themes including one theme on "youth and environment" - Key strategic objectives of this theme include (1) Enhancing environmental knowledge between youth and its accessibility according to the educational needs and interests with special focus on early stages of education; (2) Increasing the impact of youth in developing and implementing national environmental policies and programmes and (3) Maximizing the role of youth in sustainable use of environmental resources for socio-economic development

No.	Policy	Issued by	Year	Integration of SLM Principles
11	National Energy Strategy	Ministry of Energy	2005	- The strategy focused on the development of renewable and sustainable energy sources and linkages between environmental protection and transition to sustainable energy - The strategy did not include issues of climate change and the opportunities for both environmental protection and sustainable energy through the Kyoto protocol, but the strategy is considered to be a suitable planning road map for sustainable energy production and consumption
12	National Strategy and Action Plan for Drought Mitigation	Ministry of Agriculture	2007	Established a high committee headed by the Prime Minister to follow-up on drought mitigation measures with emphasis on training and capacity building of members
13	Hashemite Fund for Development of Jordan Badia Master Plan	The Hashemite Fund for Development of Jordan Badia	2008	- The plan highlights the socio-economic challenges in the Badia and the integration of these challenges with natural resources management with focus on water and rangeland resources - Diversifying sources of income and exploring potential economic venues in the Badia will reduce the dependence on livestock keeping as the major industry for the Badia people, this will release part of the stress on natural rangeland and reduce land degradation due to overgrazing

3.6.4 Policy Development Shortcomings

Main shortcomings, limitations and gaps in policy development framework are identified as following:

- Absence of streamlined sectoral policies. There are a number of individual strategies, programs and plans with no integrated framework. These strategies and plans are not coherent with one another, thus failing in extracting benefits of the potential synergies between similar activities implemented by different institutions.
- Overlap is high in some areas, such as water management, where numerous governmental departments and agencies compete for mandate in high visibility areas; or conversely they use this overlap to shun any responsibility where this might be beneficial.
- Weak linkages between scientific research and policy making.
- Policy framework in Jordan is reactive rather than proactive. The problems are addressed as they arise instead of being anticipated.
- In some cases the developed strategies, plans and/or programs are designed to cope with the consequences versus addressing the root causes of the problem.
- Lack of coordination between organizations and institutions working in SLM, despite the existence of NCCD.

Although, desertification is identified as a priority on National Agenda, the concept still lacks integration in sectoral and inter-sectoral policies and strategies. Issues hindering introducing SLM on the Policy Agenda were identified as following:

Technical

- Inadequate scientific research on causes and practical solutions of desertification.
- No assessment of the state of scientific research on desertification has been conducted.
- Insufficient resources for scientific research on desertification.
- Weak networks and knowledge management systems to link research with policy making.
- Absence of national database on desertification.

Institutional

- Efforts to combat desertification are scattered.
- Roles and responsibilities are either duplicated or absent.
- No current TOR with identified responsibilities for combating desertification.
- Insufficient training programmes for institutional staff.
- Low level of involvement of local communities
- No economic valuation or economic instruments available for sustainable land management.
- Low level of cooperation and coordination between institutions involved in combating desertification
- Limited financial resources

Legislative

- Diversity of legislation governing relevant sectors, contradiction and in some cases duplication of regulations, and overlapping in mandates of various institutions relevant to SLM,
- Weak enforcement of the articles related to environmental conservation and combating desertification,
- Legislation lags behind the rapid changes taking place in the economic, social and environmental context
- Lack of cohesion and integration between sector legislation addressing desertification

3.6.5 Recommendations

Based on the identified shortcomings the recommendations for the policy development framework are:

- Integration and consolidation of current regulatory regime under one comprehensive law on land resources management with its corresponding decrees, rules and regulations
- Integration and consolidation of existing cross-sectoral strategies and policies into a harmonized umbrella programme for integration into 2010-2012 executive programme
- Combating desertification to be promoted as priority in development plans
- Development of strong sustainable link between scientific research and policy making
- Development of centralized information system for compiling, updating and dissemination of information including information on implementation of UNCCD/NAP and resource mobilization; on-going IFAD/GEF MIS initiative should cover this issue
- Provision of adequate administrative, institutional and financial mandate to NCCD to strengthen its role as a coordination mechanism for activities and initiatives to combat desertification
- Development of adequate monitoring and evaluation mechanism to assess the quality of implementation process; should build on on-going MENARID programme and its M&E system

3.7 Financial Flows to Sustainable Land Management

The IFS development team has conducted an extensive data collection on the completed, on-going, and planned activities to combat desertification and to promote sustainable land management. Main sources of information were published data in reports and the internet, as well as direct interviews with stakeholders. Analysis of financial flows reveals important information on main areas being implemented, gaps in implementation, and main sources of financing. A summary of the results is presented in this chapter. Detailed results are presented in **Annex 7**.

3.7.1 Analysis Methodology

The projects directly or indirectly addressing the issues of combating desertification were divided into six thematic areas according to their main objectives and/or activities, which are:

1. Capacity building and awareness;
2. Research and Surveys;
3. Sustainable development and poverty alleviation;
4. Sustainable agriculture
5. Rangelands, forested areas and national parks conservation;
6. Watershed management and irrigation

According to the above specified thematic areas the projects were compiled in a comprehensive matrix, presented in **Annex 8**. The projects were further analyzed with regards to:

- Number of activities in each thematic area
- Financing of each thematic area
- Predominant type of financing of each thematic area
- Main donors

3.7.2 Data Analysis

3.7.2.1 Number of Activities by Thematic Area

The total number of analyzed activities is 198 for the years 1997 - 2007. The highest number of completed, on-going and planned projects falls under the thematic area of ***Sustainable Development and Poverty Alleviation***, being 49 out of 198.

Figure 3-4 summarizes the activities related to combating desertification by thematic area.

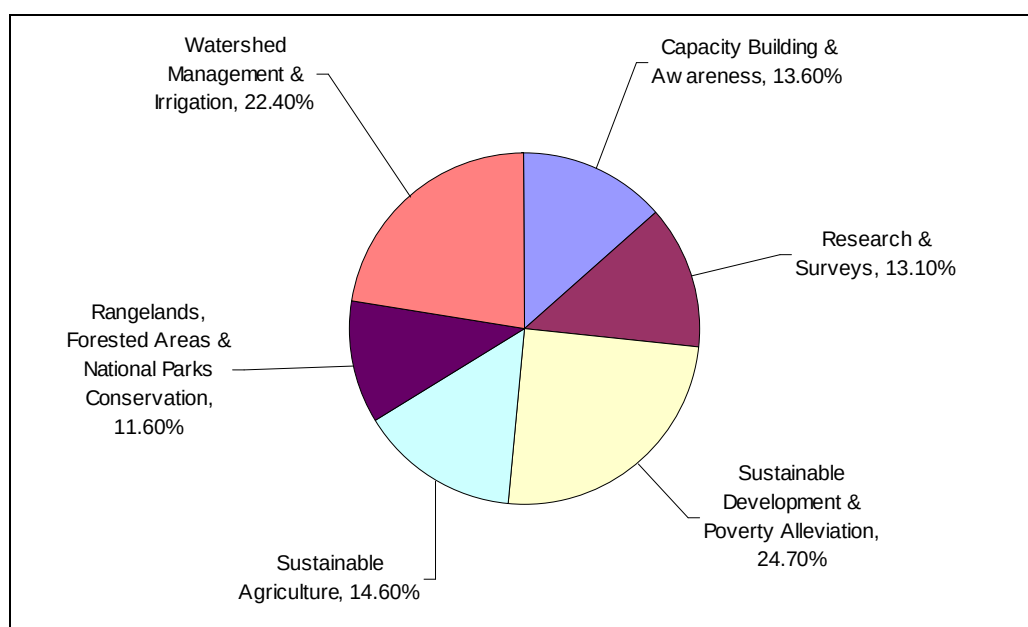


Figure 3-4: Number of projects by thematic area (in percent)

Although for some on-going and planned activities the financial information is not currently available, the results indicate the total amount of financing per thematic area from 2000 to 2007 as presented in **Table 3-9**. Amount of financing was categorized by source. External sources of financing represent out-of-country sources such as bilateral and multilateral donors. Internal sources of financing constitute the financial sources that are raised from within the country itself. Innovative sources of financing represent potential and non-traditional modes of financing, which could be external or internal or a combination of both.

Table 3-9: Financing by thematic area

#	Thematic Area	Amount (US\$)	External sources	Internal sources	Innovative sources	Not specified
1	Capacity building and awareness	6,243,663	54.27%	44.84%	0.89%	--
2	Research and Surveys	968,075	13.56%	86.44%	--	--
3	Sustainable development and poverty alleviation	59,170,792	22.47%	77.53%	--	--
4	Sustainable agriculture	112,391,318	58.78%	41.22%	--	--
5	Rangelands, forested areas and national parks conservation	28,253,480	92.24%	7.76%	--	--
6	Watershed management and irrigation	383,616,000	97.3%	2.05%	--	0.65%
Total (2000 – 2007)		590,643,328	81.64%	17.93%	0.01%	0.42%

Figure 3-5 summarizes the percentage of financing that each thematic area has received. Financial flows are directed largely to watershed management and irrigation which is in line with the fact that water scarcity is a major priority in Jordan. Sustainable agriculture and sustainable development/poverty reduction projects receive the second and third largest amounts of funding, respectively.

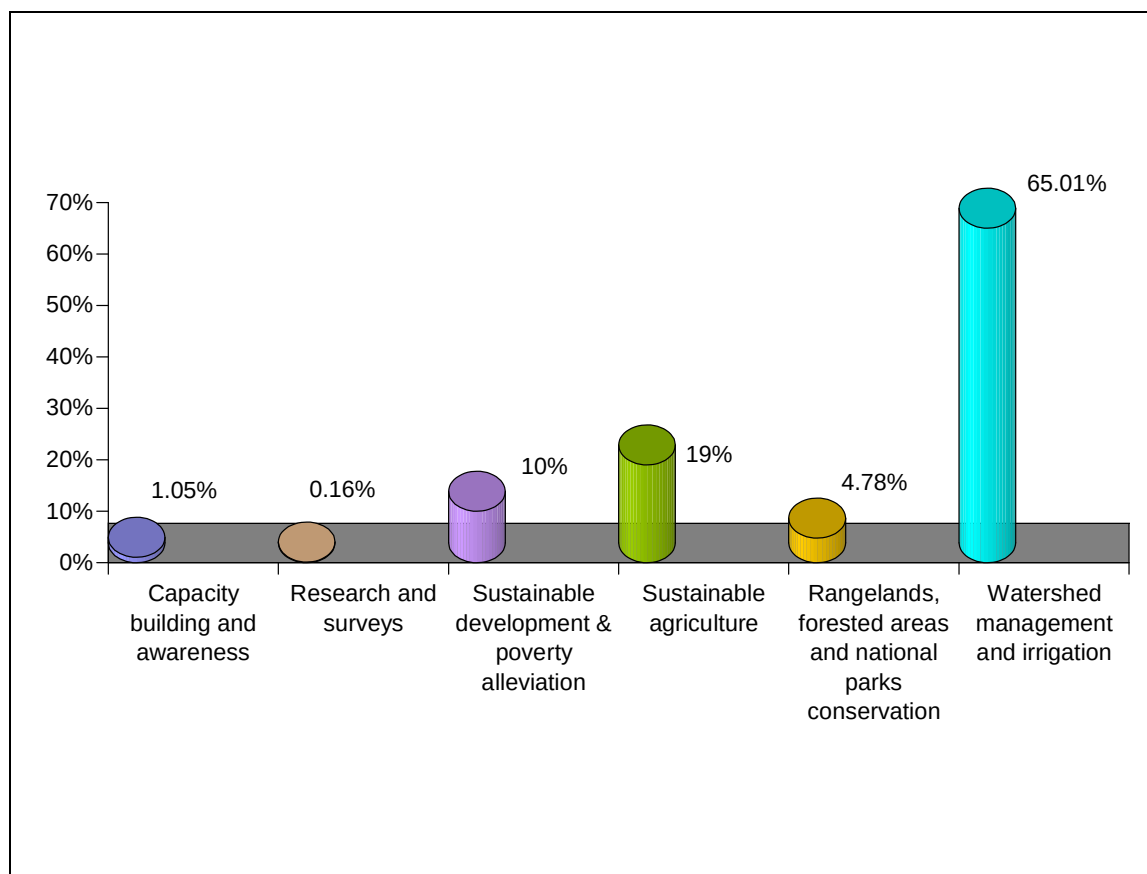


Figure 3-5: Financing by thematic area

In summary, the majority of funding comes from internal and external resources. There is limited use of innovative sources of funding. External funds are mainly concentrated in rangelands, forest areas and national parks, sustainable agriculture and capacity building. On the other hand, internal fund is concentrated in research and survey, sustainable development and poverty alleviation, capacity building and sustainable agriculture. Watershed management has the higher amount of fund, with 97.3% of the fund from external sources.

3.8 Public Budgeting and Internal Sources of Financing in Jordan

The public budget is the main source of internal financing in Jordan. Budget preparation and examination is done through the General Budget Department (GBD) (an autonomous administrative entity within the Ministry of Finance - MOF), and is governed by the law no. 39 for the year 1962 (the law for regulating the GBD and its amendments), and its main tasks, duties and authorities were set as follows:

- Preparing the annual general budget law for Jordan
- Proposing allocations required for the implementation of the general policy set by the cabinet of ministries
- Examining requests for financial allocations submitted by all governmental departments through reduction, increase, addition, comparison and revision.
- Examining all programs, work and project
- Verifying that requests for allocations are compatible with economic and financial policies.

This section provides an overview of the public budgeting process as well as private sources of financing. The detailed chapter is provided in **Annex 9**.

3.8.1 General Budget Preparation Process

3.8.1.1 Preparation

The GBD's role is fundamental. The GBD is delegated the responsibility of examining, coordinating and approving various requests for funds before submission of such requests for appropriate authorization, first by the cabinet and later by the legislature. The GBD performs broad financial activities, including review of the annual funding request, interacting with executive agencies and with the ministry of finance and with the bureau of accounting and audit. The monitoring authority gives the GBD a special role in introducing change, particularly while gauging management efficiency and effectiveness as well as the quality of service in each unit requesting or receiving public funds. Information on operation is usually reported according to a specified format to ensure comparability. The GBD is authorized to verify and to check the quality of information submitted in order to maintain the integrity of the process.

The MOF occupies an influential position in the cabinet and among line agencies. The MOF has a special fiduciary responsibility for revenue and coordination with the prime minister and the **consultation group on fiscal policy**. This group is headed by the PM and includes ministers of planning and national economy. Informally, this consultation council, in effect, set the budget limit and arbitrates (resolves) any dispute between a cabinet member and the MOF or the GBD.

Line agencies are the main source of cost estimates of government operations. The top leadership of each line agency (ministers and permanent secretariats) determine how much to ask for. They tend to maximize their requests and to test the boundaries of the possibilities in anticipation of cuts at the end of each review, whether by the GBD or the cabinet, although the finance or budget officers in each administration unit may participate in the calculation of estimates.

Line agencies are the operational centres whether information on performance or on financial transaction originate. In activities involving more than one administrative jurisdiction, such as development project and plans, the minister of planning exercises a central role; he/she is often part of the negotiations for grants and loans that fund most development projects.

3.8.1.2 Legislative approval of the Budget

The MOF forwards the budget to the parliament; A Permanent financial committee in the parliament reviews the whole budget request before sending it with recommendation for vote by the total membership. The Senate undertakes the same process. Typically, the conclusions of these debates do not result in increasing spending and rarely affect the outcome meaningfully. The vote usually is on the total budget bill up or down. The cabinet on its own, if convinced during the debate in the parliament, may promise to increase or decrease spending decision in the future. Some legislators actually vote against the government finance package because it does not include projects or support policies they deem necessary.

Disapproval of the PM's budget by the parliament is a vote of no confidence in the government requiring its resignation. Under such circumstance, most likely the King would dissolve the parliament and order a new election. No such case has ever been recorded in Jordan, so it remains a theoretical possibility although not a realistic concern.

3.8.1.3 Monitoring

Each ministry has to present a monthly financial report to the GBD showing its expenditure. Some ministries, including the MOE, voluntarily apply scrutinized financial monitoring systems.

The GBD ensures financial efficiency primarily through what they call "Ghost elimination"¹⁰. To make sure that the projects at the different Ministries are properly executed and monitored, personnel from the GBD check on the actual execution of the projects through regular field visits to projects' sites, the evaluation is made against the TORs of the projects.

3.8.1.4 Main Modifications to the General Budget

Starting from 2007, the budgeting process witnessed some modifications:

1. The budgeting process spans a 3-year period instead of 1 year.
2. The use of **Key Performance Indicators** (KPI's); this will be used for programmes. In 2009 however, the KPI's will be used for individual projects as well.
3. Results Oriented Budget (ROB); this will ensure more transparency, efficiency and achieving the main goals of the country as a whole.

¹⁰ Meeting with GBD

3.8.2 Budget of Line Ministries

The following budget preparation stages can be described (**Figure 3-6**):

1. The budget circular is sent by the Prime Minister to the ministries
2. The financial manager in each ministry informs the different departments to present their priorities and financial requirements for the next year (this step is usually conducted before the official circular is received, in order to have more time)
3. The financial manager, after discussing with the director of each department their financial requirements, discusses the ministry's budget with minister
4. The financial requirements are filled in special forms provided by the General Budget Department (GBD) and sent to the GBD for review and comments
5. After internal reviews within the GBD, the final budget report for each ministry is sent to the Parliament and the Senate for the final approval
6. A designated financial committee within the parliament reviews the reports and provides its comments
7. The parliament members vote on the budget; the voting is done on each chapter of the budget
8. The same process is undertaken by the Senate
9. If the Parliament and the Senate vote yes on the budget, the budget is raised to the PM and then to the King for a royal approval and issuing the final Budget Law
10. No amendments can be made on the budget after the royal approval

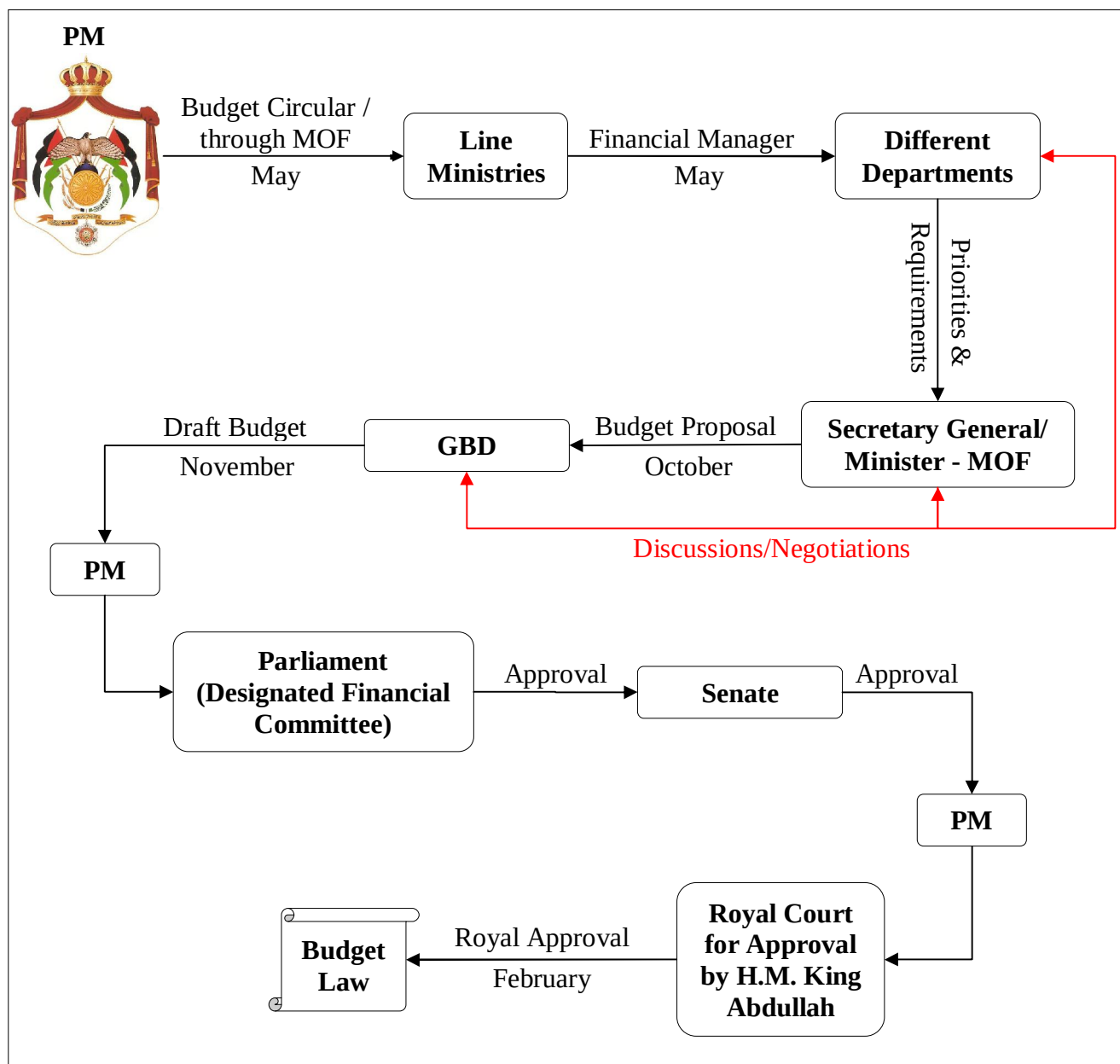


Figure 3-6: Budget preparation process

3.8.3 Municipalities Budgets

UNCCD underscores the direct relation between CD/SLM and poverty. Since municipalities across Jordan play a pivotal role in developing local communities and providing services and different facilities for their population, they are considered key entry points to mainstream financial resources to CD/SLM.

Jordan has realized the importance of this role since the earlier years of establishing east Emara of Jordan through issuing municipal affairs organizing Law on March 1925, this law was replaced by Law No. 9 for the year 1938. In 1955 municipal Law No 29 had been issued giving municipal councils considerable financial and administrative independence and it gives the right of owning and suing. In addition, a set of laws, regulations and orders has been issued to clarify the missions undertaken by the municipality, the mayor, members and systems ruling the staff and municipal worker.

Municipal budgets are controlled by the Ministry of Municipal Affairs (MOMA). In October of each year, MOMA instructs all municipalities (except greater Amman Municipality, Aqaba Special Economic Zone and Petra Regional Authority) to prepare a draft budget taking into consideration the expenditures of the last two years. This task is the duty of the financial manager at each municipality. The financial controllers at the MOMA/Councils Division review the budgets and approves them or send them back for modifications.

3.8.4 Budget Allocation¹¹

A budget is an annual proposal that outlines anticipated Government revenues and designates program expenditures for the upcoming fiscal year. It is a plan of financial operations embodying an estimate of proposed expenditures for a given period (Normally one year) and the proposed means of financing them; it includes revenues, total expenditures, and capital expenditures. In brief, the budget consists of two parts:

- **Part I** allocated for current expenditures (salaries, office supplies, debt service, etc.)
- **Part II** allocated for capital expenditure (building, construction, roads, etc.)

Part II of the budget is the productive component, which generates economic growth and spurs the economical cycle. The budget allocation for Part II varies between 20% and 33.4% of the total budget and between 50.6% and 57.5% for the Independent Public Institutions (IPIs) budget.

The IFS team has undertaken a budget analysis covering nine ministries/authorities and three Independent Public Institutions (IPIs) which could directly or indirectly correlate to desertification. They are listed in the following order of importance beginning with the most related: Ministry of Agriculture (MOA), Ministry of Water and Irrigation (MWI), WAJ, JVA, Ministry of Environment (MOE), Ministry of Social Development (MOSD), MOMA, Natural Resources Authority (NRA), Ministry of Tourism (MOT), HUDC and DEF; JVA and WAJ work under the umbrella of the Ministry of Water and Irrigation and NRA works under the supervision of the Ministry of Energy and Mineral Resources.

In addition to the Public Budget Law, the budget for the IPIs is prepared separately. WAJ, HUDC and DEF are IPIs and account for between 46.9% and 56.1% of the total IPIs budget.

¹¹ All numbers in this section were adopted from the books of the budget laws issued by the MOF/GBD

The other nine agencies are included in the Public Budget Law and account for between 2.7% and 4.2% of the total budget.

Table 3-10 and **Table 3-11** show the total budget allocation to these institutions from 2002 to 2006.

Table 3-10: Total budget allocation for the 9 selected public agencies (million JD)

#	Agency	2002	2003	2004	2005	2006
1	MOT/T	8.3	8.4	12.0	15.9	4.4
2	MOT/A	4.0	4.2	4.2	4.3	5.1
3	MOSD	9.6	9.6	9.8	11.1	11.7
4	MOE*	0.9	0.9	1.2	3.1	6.6
5	JVA	52.3	50.9	57.6	51.7	53.1
6	MWI	3.2	3.0	3.1	2.9	2.7
7	MOA	18.0	19.6	21.9	27.7	24.6
8	NRA	5.2	4.8	5.1	6.0	8.2
9	MOMA	3.3	3.6	3.4	5.1	4.2
	Total	104.9	104.9	118.3	127.6	120.6
	Total Budget	2,413.0	2,511.0	3,200.8	3,330.0	3,448.5
		4.3%	4.2%	3.7%	3.8%	3.5%

*Before 2003: General Environmental Protection Corporation

Table 3-11: Total budget allocation for IPIs (million JD)

#	Agency	2002	2003	2004	2005	2006
1	WAJ	252.9	283.8	236.2	296.8	310.7
2	HUDC	18.9	18.6	17.0	19.0	26.5
3	DEF	6.4	6.5	9.3	12.7	12.8
	Total	278.2	308.9	262.6	328.5	350.1
	Total Budget	496.3	573.4	543.2	700.7	720.9
		56.1%	53.9%	48.3%	46.9%	48.6%

Because Part I of the budget is the current expenditure, it can not be classified as an entry point for NAP project funding, unless there are dedicated units or staff within a ministry, working exclusively on a desertification related project (indirect source). Nevertheless, it is interesting to note that the budget allocated for the nine agencies varied between 1.1% and 1.5% when compared to the **total** Part I budget. If we limit the list to MOSD, JVA and MOA, these figures will range between 0.8% and 1.0%.

For the three IPIs, the allocated budget varied between 29.5% and 31.2% of the total Part I budget. If we consider WAJ alone, these figures will range between 28.1% and 29.1%.

As for Part II of the budget, the portion of the funds allocated for the nine agencies varies between 8.1% and 15.4% of the Part II budget. If we limit the list to **MOT, JVA and MOA**, these figures will range between 6.9% and 13.1%.

For the three IPIs, the allocated budget varied between 59.7% and 79.1% of the total Part II budget. If we consider WAJ alone, these figures will range between 52.9% and 71.2%.

The budget cut-off (**actually spent budget**) covers the fiscal years between 2002 and 2006. For the year 2006, re-estimated numbers were used since the actual expenditures are not published yet (**Table 3-12** and **Table 3-13**).

Table 3-12: Total budget cut-off for the 9 public agencies (million JD)

#	Agency	2002	2003	2004	2005	2006
1	MOT/T	7.9	7.0	9.8	11.5	4.1
2	MOT/A	3.5	3.8	3.9	4.1	4.3
3	MOSD	8.7	8.6	9.1	9.7	9.4
4	MOE*	0.8	0.8	1.0	1.3	4.6
5	JVA	48.0	57.4	52.5	46.8	44.3
6	MWI	2.7	2.2	2.3	2.1	2.3
7	MOA	17.8	18.2	20.7	26.8	24.6
8	NRA	4.3	4.1	4.6	4.5	6.5
9	MOMA	2.8	3.3	3.1	4.7	3.9
	Total	96.6	105.3	107.1	111.6	104.1
	Total Budget	2,296.8	2,809.8	3,102.1	3,104.6	3,902.6
		4.2%	3.7%	3.5%	3.6%	2.7%

*Before 2003: General Environmental Protection Corporation

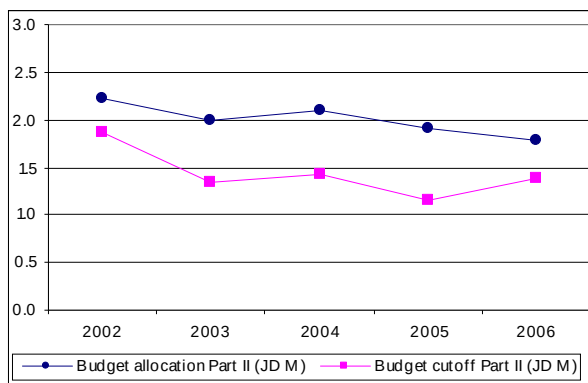
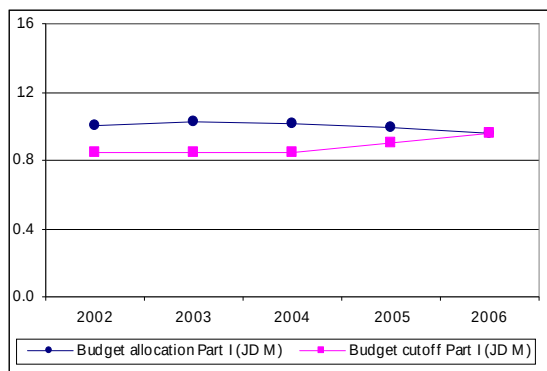
Table 3-13: Total budget cut-off for IPIs (million JD)

#	Agency	2002	2003	2004	2005	2006
1	WAJ	170.6	195.6	193.0	204.5	192.0
2	HUDC	15.0	11.7	12.6	15.7	21.3
3	DEF	6.3	7.6	10.1	12.4	12.8
	Total	191.9	215.0	215.7	232.5	226.0
	Total Budget	418.9	476.9	498.5	529.7	541.8
		45.8%	45.1%	43.3%	43.9%	41.7%

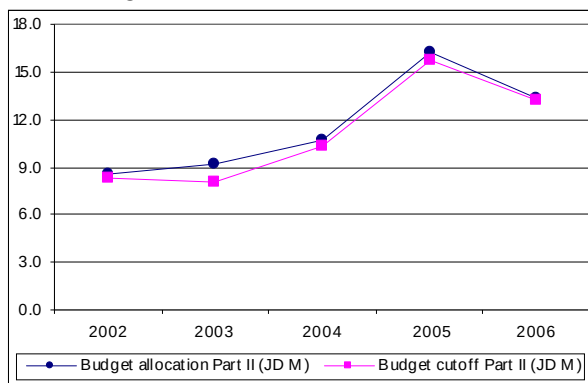
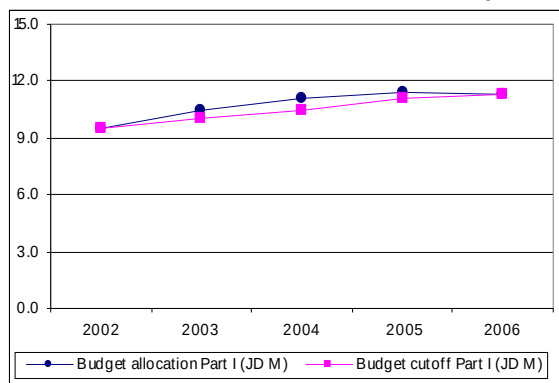
The comparison between the total budget allocation and its cut-off shows that:

1. The real total expenditures of the nine concerned agencies are below the allocated budget for four out of the five analyzed years, and for all years for the three IPIs.
2. The discrepancy between allocated and actually spent expenditures ranged between 8% (2002) and 14% (2006) for the nine agencies and between 18% (2004) and 35% (2006) for the three IPIs.
3. The real expenditures for the government's total budget showed gradual increase for the analyzed years, this increase was reflected on the real expenditures for the nine selected agencies.
4. The real expenditures for the IPIs total budget showed increase for the analyzed years, this increase was reflected on the expenditures for the three selected IPIs except for the year 2006 where a 2.3% drop was registered.

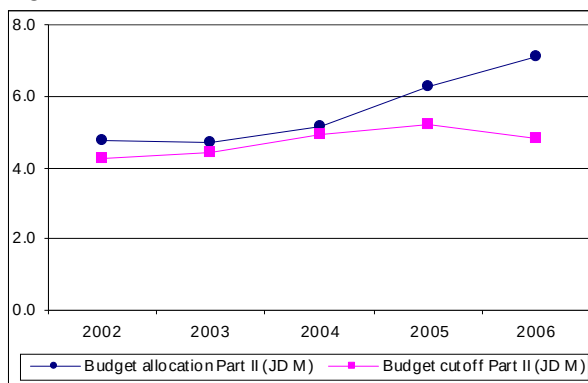
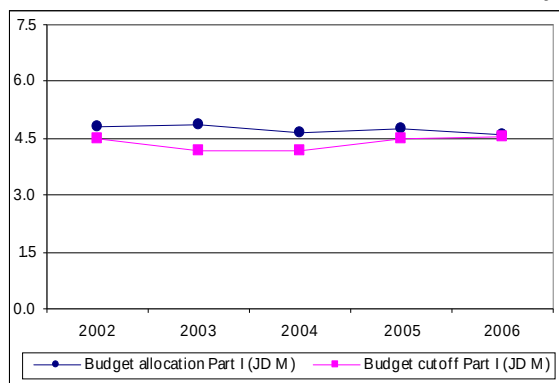
The same abovementioned points apply to Part I budget cut-off for the nine agencies. The actual expenditures decreased from the allocated ones by the range of 0.2% - 16%. For Part I of the IPIs budget, the decrease of real expenditures for the three selected IPIs from allocated ones ranged between 1% and 11%. As for the Part II budget cut-off for the nine agencies, note that cut-off exceeded allocated budget in 2003 by 3.6%, for the other four years a decrease of 7%-18% was registered. Part II budget cut-off for the three IPIs shows considerable drop compared to the allocated amounts, the range is between 22% and 45%.



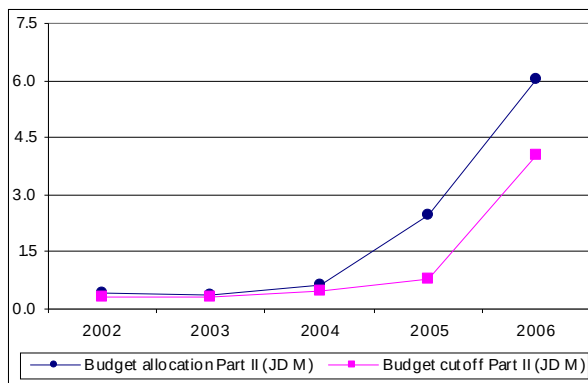
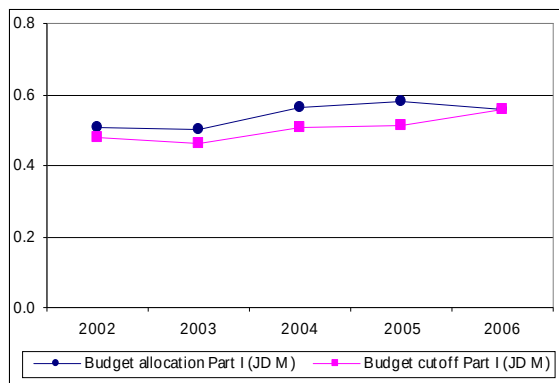
Ministry of Water and Irrigation



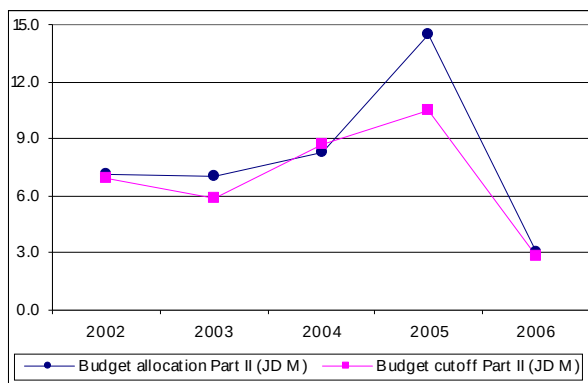
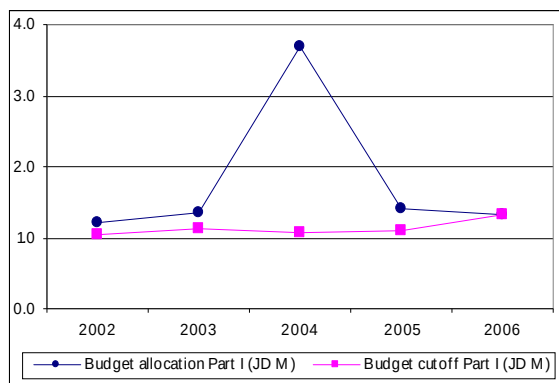
Ministry of Agriculture



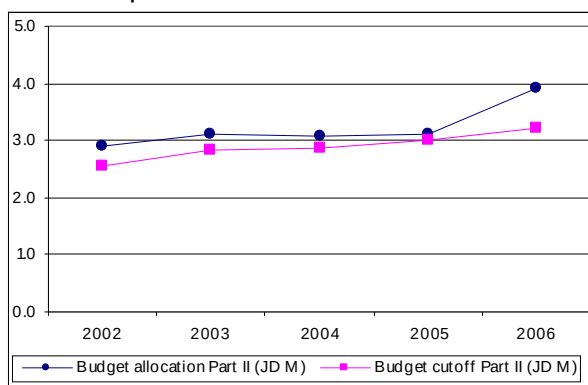
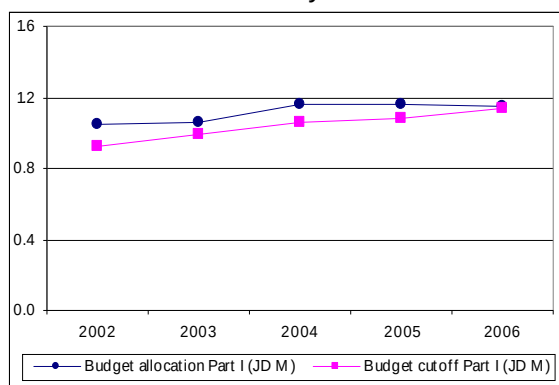
Ministry of Social Development



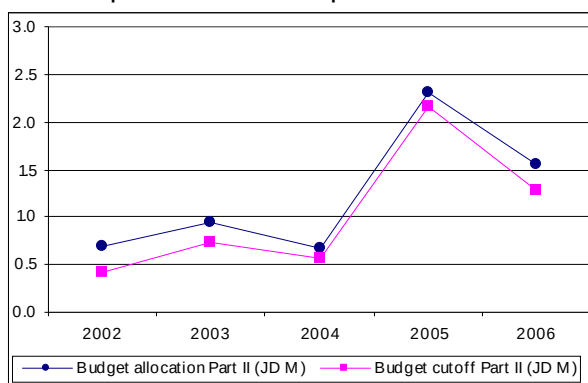
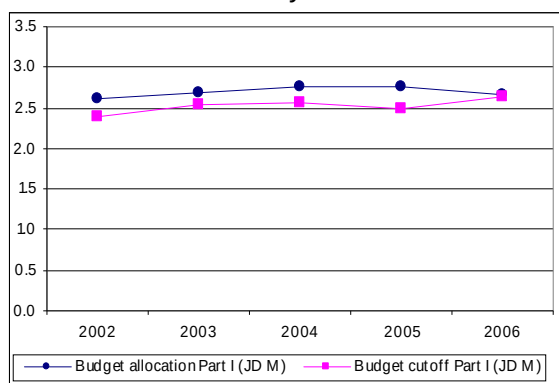
Ministry of Environment



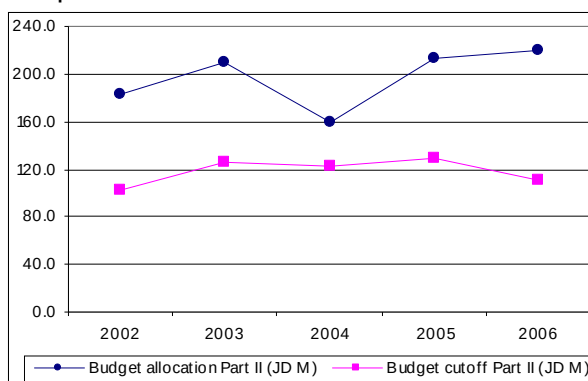
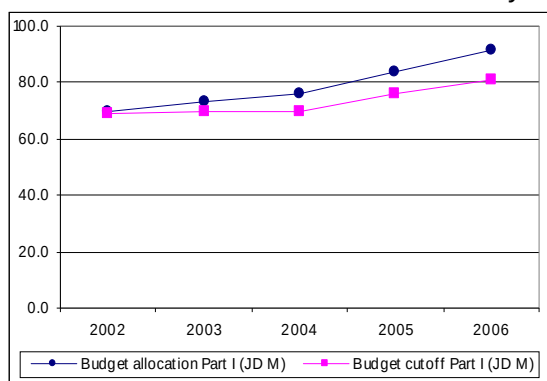
Ministry of Tourism and Antiquities / Department of Tourism



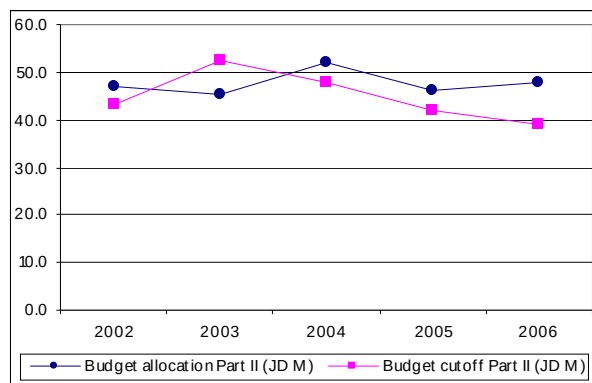
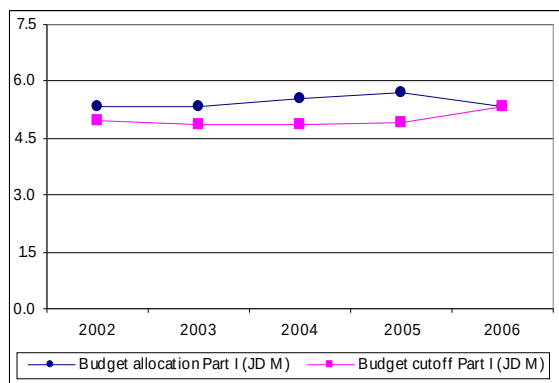
Ministry of Tourism and Antiquities / Department of Antiquities



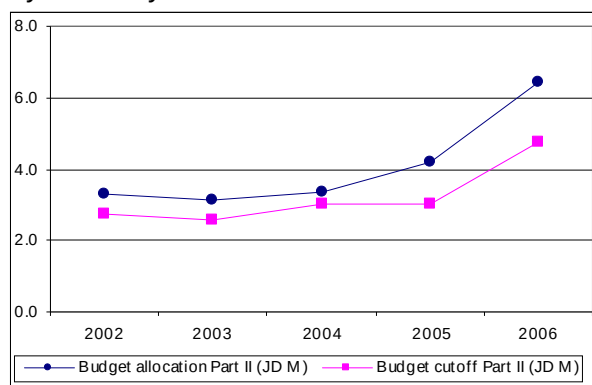
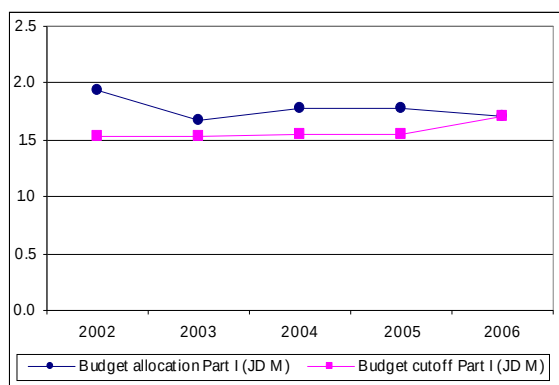
Ministry of Municipal Affairs



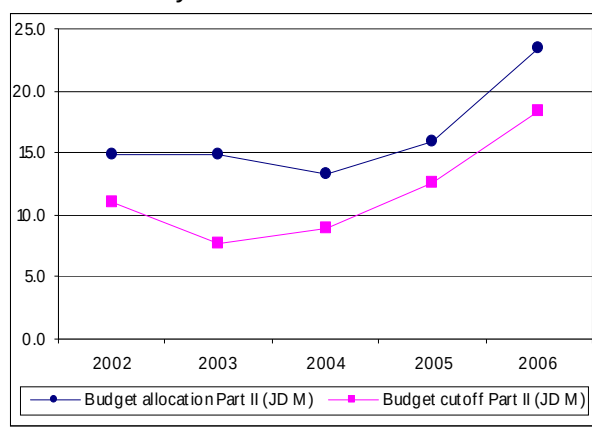
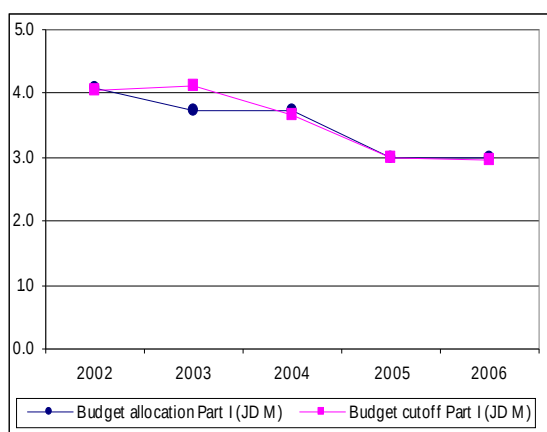
Water Authority of Jordan



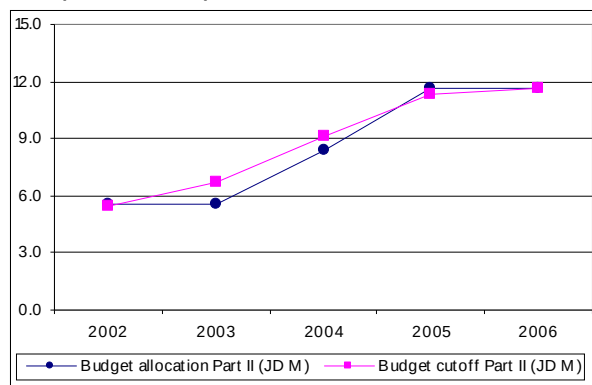
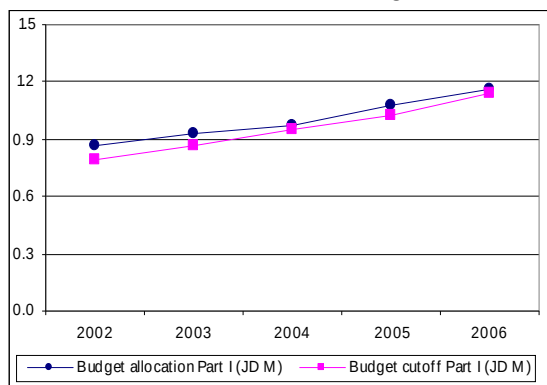
Jordan Valley Authority



Natural Resources Authority



Housing and Urban Development Corporation



Development and Employment Fund

Figure 3-7: Budget Allocation and Cut-Off of the Selected Institutions

Meetings with financial managers from line ministries revealed that achieving 85% efficiency in spending allocated budgets is considered good performance. Reasons for the not-used amounts were very similar in all studied ministries/agencies, including:

- Late approval of the budget law, extending to February from each year, this prohibits spending in January and February from each year since the fiscal year ends in December.
- Lack of qualified staff to meet the requirements of the different projects.
- Contractors do not comply with time schedule in implementing projects.
- Projects funded through external sources (grants or loans) may face delay in spending.
- Delays through the tendering process between concerned ministry and the Government Tenders Directorate.

Other reasons included:

- Competition between contractors reduces the expected price for supplies and/or purchases
- Sometimes the cut-off may be more than the allocated budget, in this case the budget may be transferred from item to another
- The delay in projects (preparatory process, early stages)
- The delay of the grants and loans (money to be transferred from the Donor account to the recipient accounts)
- Allocating budget less than the needed or required for the projects, These project are not related to GTD they have their own directive committee

The above mentioned hindrances could be overcome through proper planning as noticed in the MOA's budget.

Table 3-14 proposes a series of actions to enhance mobilization of resources from internal resources.

Table 3-14: Entry Points to Enhance Mobilization of Internal Resources

Entry Point	Description	Actor / level of action	Measures to be taken
Budget requests	There is a noted disparity between the funds that are allocated and those that are actually spent. As a result, the credibility of the ministries in spending their budgets has decreased and with it the funds which they are allocated.	Ministries	- Institutions should assess their capacity in priority setting and budget preparation - Institutions should assess their capacity to implement planned activities. - Ministries should prepare budgets and justify in as much detail as possible their budget requests in order to be granted the full amounts requested - Economic valuation of environmental services can be used as a tool to convince decision-makers of importance of SLM

Entry Point	Description	Actor / level of action	Measures to be taken
Political Lobby	The preparation of the budget involves several negotiation /discussion steps which provide an opportunity to further justify and press for the requested budget for SLM-related activities (refer to Figure 3-6). Lobbying for environmental issues can also come during regular parliamentary sessions, council of ministers meetings and personal relations. The general public can add pressure on its representatives in office.	- Members of Parliament - Politicians in general - CBO's, NGO's, general public	- Pro-environment Members of Parliament should lobby at the level of Parliamentary committees to assign higher importance to environmental issues on the national agenda. - Improve awareness at key levels of decision-making process including GBD, MOF, and Finance Parliamentary Committee
Municipal budgets	Municipal budgets are allocated by the MOMA on an annual basis. Municipalities do not have the full freedom to use their budgets, they require approval from MOMA entering into a tedious bureaucratic processes involving result in endless delays.	MOMA Municipalities	- Enhance capacities within municipalities to include SLM related activities within requested budgets. - Enhance capacities within municipalities to better use their budgets to implement SLM-related activities. - Enhance awareness of MOMA on importance of SLM-related issues to facilitate acceptance of requested budgets
Other internal sources of funding	There is a multitude of other potential internal sources of funding that need to be studied. These include but are not limited to, private companies, commercial banks, NGO's, and philanthropic organizations.	Ministries	- Investigate other internal sources of funding - Develop incentives to encourage investment in SLM
JEF JREEF	The creation of these Funds is being validated through relevant laws/regulations. JEF and JREEF represent independent and direct sources of funding for environment related activities. The legislation for the creation of both Funds has been prepared and is awaiting endorsement.	MOE MEMR	- MOE and MEMR should endorse the legislation for the creation of both Funds. - MOE and MEMR should lobby for increasing funds allocated to SLM activities.

3.8.5 Private Sources of Funding

Jordan companies Law No. for 1997 and its amendments states that each public shareholder company has to allocate a fixed percent of its benefits to support universities, scientific research, and professional training. In addition, several private companies allocate a portion of its budget to serve the community in several ways; health, environment, poverty alleviation ...etc. In this report, four of the largest companies in Jordan were surveyed to find out their specific contribution in CD/SLM related projects. These companies are Jordan Phosphate Mines Company, HSBC Bank, Arab Potash Company and Jordan Petroleum Refinery Company. Data were collected by contacting the responsible person in each company.

Jordan Phosphate Mines Company: In addition to the portion that is allocated by law to support universities and scientific research, this company used to cut off a portion of its profit to serve the areas around its projects. For example, last year the company allocated 2% of its profit for poverty alleviation in the areas around its projects.

HSBC Bank: Each year the bank allocates a fixed amount of the budget to support initiatives in environmental fields. Usually, interested persons or organizations send their suggested proposal to the bank and the bank studies and screens these proposals to fund the best.

Arab Potash Company: The company allocates a portion of its profit to support the community, such as granting scholarships for some students in the areas of their projects, adoption of 8 schools last year, and contributing in agricultural iris loans.

Jordan Petroleum Refinery Company: each year the company allocates a lump sum to support Jordan Environment Society (JES), which in turn spends the money to serve different environmental projects.

3.9 The Donor Community in Jordan

This section aims to develop a better understanding of the international donor community active in Jordan (including those which have a potential to be active in Jordan) in order to identify means for increasing the mobilization of funding from external sources. Mobilizing funds from external sources requires knowledge of best possible development partners, their priorities, goals, interests, policies, and budgets.

The analysis of donors was initiated by reviewing past and ongoing activities in Jordan for the last 5 years. Financial figures were obtained mainly from MOPIC and were not verified – some information could be missing or not be completely accurate, but should provide a good understanding of the overall external funding context. An extensive internet and literature search was also conducted. The results were gathered in a donor matrix that comprised the main operating and potential (not yet operating, but Jordan is eligible for their funding) funding agencies. The matrix has been circulated to donors for review together with a questionnaire to update donors' information.

The complete donor matrix is presented in **Annex 10**. The donor matrix is a useful tool to allow integration of SLM in donor programming frameworks as well as to allow an efficient identification of the right external partner for different sectors and types of support.

3.9.1 Donors in Jordan from 1950 to Date

For Jordan, a country largely reliant on external assistance to compensate for regional and domestic vulnerability, the changes in donor policies and priorities over the last fifty years have significantly affected the context in which it has been able to pursue its own national development path. The following paragraphs present a brief historic overview.

1950s:

Starting in the 1950s, the main development donors in Jordan were: the British Middle East Office (BMEO), the US Point Four Program, and the United Nations Expanded Technical Assistance Program (UNETAP).

British priorities were promoting development through applying technology, and institutional capacity building, especially in the agricultural sector. The American priority mainly focused on political and financial stability.

1960-1990:

No substantial information about donors was found during this period. It was found, however, that from the years 1960s up to the 1990s, the agricultural and irrigation sectors have absorbed around one quarter of total investment and an average of 12% of external loans.

1990s:

Due to the reform that Jordan undertook in this era, especially the legislative reform through amending existing laws or introducing new ones, including the investment promotion law, sales tax law, and intellectual property rights and companies' law, more donors seemed interested in Jordan.

The main donor was USA. Besides the US, other main sources of assistance were Japan, European Union, Germany, the United Kingdom, France, and Italy. Principal providers of concessional aid were the International Monetary Fund (IMF), the World Bank, and the European Investment Bank (EIB). International donors also engaged in advocacy for foreign investment in Jordan.¹²

By the mid to late 1990s, a shift in donors' priorities was beginning to take place. Following the Gulf Crisis and the reduction in levels of assistance from Arab region, the country became more reliant on funding from Western donors.

As many bilateral donors began to channel their aid through NGOs, the opportunities for cooperation and partnership among Jordanian and Foreign NGOs increased.

2002:

In 2002, Jordan received \$470 million in grant assistance as shown in **Table 3-15**.

Table 3-15: Percentage of grant assistance to Jordan in 2002 by source

Country	Contribution %
USA	60
EU	23
Japan	7
Germany	4
Spain	2
Saudi Arabia	2
Canada, Norway, World Bank, the Arab Fund, and the Islamic Development Bank	2

Jordan also received a total of \$186.5 million in bilateral and multilateral loans as shown in **Table 3-16**.

Table 3-16: Percentage of loans assistance to Jordan in 2002 by source

Country	Percentage %
World Bank	67
Germany	13
Spain	9
Swiss	9
Norway	1
IFAD	1

¹² USAID website

The main focus of the European Union's and Japanese assistance is balance of payments support. The German Government has historically focused on the water sector, while the World Bank recently re-directed its loan funding toward public sector reform and education.

An important agent for channelling funds is USAID, which has long been active in Jordan. USAID has helped develop the tourism industry and is helping transform Aqaba into a world-class free zone and economic hub. Just recently, increases in economic foreign assistance have made Jordan one of the largest recipients of U.S. assistance in the world. In fact, in FY 2003, the USG provided Jordan with \$950 million in economic foreign assistance. Of this amount, \$844.5 million was provided as a direct transfer, leaving about \$105.5 million for USAID to program through project assistance."

In subsequent years the amount of grants has remained almost the same with a slight increase, the amount of loans however has fluctuated

A summary of the foreign assistance to Jordan from 2004 to 2006 is presented in **Table 3-17**.

Table 3-17: Summary of foreign assistance for 2004-2006 (US\$ Million)

Year	Grant	Loans	Total
2004	473.99	141.53	615.52
2005	470.167	171.04	641.207
2006	485.4	189.6	675

* Oil grants are not included¹³

Foreign Assistance by Sector for the years 2005-2006 was also documented as shown in **Table 3-18**. It can be seen that the water sector ranked 2nd, after the budget support, in receiving funds for both years, the agricultural sector received substantial funding, and the poverty and local and social development is on the agenda of foreign assistance.

It can be inferred that CD/SLM, if recognized as country priorities and appropriate programs and projects were designed, more funding can be allocated from foreign assistance. Sectors in **BOLD** in **Table 3-18** refer to those that are directly related to SLM.

¹³ MOPIC website

Table 3-18: Foreign assistance by sector for the years 2005-2006 through grants and soft loans committed by donors and financing institutions (US\$ million)

Sector	2005	2006
Water	144.64	155.63
Health	94.04	118.3
Education and Vocational Training	68.9	71.1
Infrastructure	--	37.1
Poverty and Local and Social Development	7.56	50
Governance, Human Rights and Gender	24	19.42
Budget Support	186	160
Economic Opportunities	50.6	34.5
Public Sector Reform and Capacity Building	37.2	15.5
Scientific Research & Technology	0.356	6.6
Agriculture	22.033	--
Others (including Energy, Tourism, Transport, etc.)	5.856	6.4
Total	641.2	675

2006:

Total assistance committed by bilateral donors amounts US \$432.6 million representing 64% of total assistance, whereas, total foreign assistance committed by multilateral donors amounted to US \$242.4 million representing 36% of total assistance.

Foreign Assistance for 2006 by source of funding is shown in **Table 3-19**.

Table 3-19: Foreign assistance for 2006 by source of funding (US\$ million)¹⁴

#	Donors	Grants	Loans	Total
1	United States of America	323	---	323
2	European Union	98.6	---	98.6
3	Germany	9.26	14	23.26
4	Spain	1.13	---	1.13
5	France	6.4	---	6.4
6	Sweden	0.08	---	0.08
7	Norway	0.02	---	0.02
8	The United Kingdom	0.1	---	0.1
9	Switzerland	0.015	---	0.015
10	Italy	---	9.5	9.5
11	Denmark	1.64	---	1.64
12	Nordic Investment Bank	---	1.4	1.4
13	European Investment Bank	2.5	---	2.5
14	Japan	22.3	---	22.3
15	China	13.7	10	23.7
16	Korea	0.66	20.8	21.46
17	The World Bank	0.85	20	20.85
18	UN Programmes (UNDP, UNIFEM& UNODC)	1.77	---	1.77
19	Arab Fund for Economic & Social Development	2.6	34.6	37.2
20	Islamic Development Bank	0.05	39.3	39.35
21	Saudi Development Fund	---	30	30
22	OPEC Fund for International Development	0.4	10	10.4
23	IFAD	0.35	---	0.35
	Total	485.4	189.6	675

Future trends:

The areas of focus for each of the major international donors are expected to remain the same for the foreseeable future, which will enhance the coordination effort. **Table 3-20** summarizes key SLM-related areas of support and external preferences.

¹⁴ MOPIC

Table 3-20: External Partners Areas of Preferred Support related to SLM

Capacity Building	Research and Survey	Sustainable Development and Poverty Alleviation	Sustainable Agriculture	Rangelands, Forest Areas, Parks, Conservation	Watershed Management and Irrigation
UNESCO		Italy	GEF/UNDP	IUCN	GEF/UNDP
EU/EID		USAID		GTZ	Germany
USAID		AFD		UNDP	Japan/ JICA
SAIC		SIDA			IUCN
UNDP		UNDP			USAID
		World Bank			GTZ
		UNEP			Italy
		CIDA			
		GTZ			

3.10 Innovative Sources of Financing in Jordan

The analysis of financial flows towards SLM-related initiatives conducted by the IFS team revealed that innovative sources of financing are practically untapped. The bulk of resources are coming from external sources in addition to internal ones.

Several innovative mechanisms and instruments were identified and which could be applicable to Jordan. These are summarized in **Table 3-21** per SLM thematic area. A more detailed description of the different mechanisms is provided in **Annex 11**.

3.11 Outlook

This chapter provides an extensive overview with a critical view of existing systems in Jordan and their impact on resource mobilization. Key issues within the legal, institutional and planning frameworks in the country that can be addressed to improve the enabling environment have been flagged. At the same time, a review of internal, external and innovative sources in Jordan has hinted to measures to enhance resource mobilization from these sources. Specific outcomes, outputs and activities are proposed in the next chapters addressing the main issues reviewed in this chapter leading to a comprehensive action plan to enhance the mobilization of resources for SLM in Jordan.

Table 3-21: Innovative Sources of Financing in Jordan and their Applicability

SLM Theme	Innovative Source	Brief Description	Applicability in Jordan
Water management	Progressive taxation system to encourage water savings	Increasing tax levels/charges as amount of water consumed increases would encourage a rational use of water. This can be very effective in sectors like agriculture.	Already applied by WAJ Needs to be revisited in agriculture sector as some resistance to such system has been shown.
	CDM methodology on water pumping efficiency improvements	Approved methodology AM0020 is based on energy efficiency improvements in municipal water utilities projects The methodology is applicable to projects which reduce Green House Gas Emissions by explicitly reducing amount of energy required to deliver a unit of water to end users in municipal water utilities	CDM framework operational in Jordan Need to promote the methodology with WAJ to assess potential Opportunity can be tendered out for CDM developers to assess feasibility
	UNDP/Government of Spain Adaptation fund on water sector	This is a fund aiming at providing financing for adaptation projects in water resources management related to impacts from climate change	The project was signed in May 2008. It will address identified barriers to adaptation and provide support to Jordan's priorities of sustainable management of its water resources with a focus on Zarqa River basin.
Biodiversity conservation Sustainable agriculture Sustainable land use	Small targeted grants	These are transfer payments designed to provide financial support to NGOs and CBO's involved in activities related to sustainable livelihoods and environmental conservation	These grants can be obtained by the private sector or other funding agencies to support these types of initiatives
	Conservation leasing	It is the payment by a government agency or private organization to landowners who voluntarily undertake activities to conserve endangered species on their property for a prescribed period. It would be the responsibility of the municipality, ideally, or an NGO to forward payment to landowners in return for their conservation of natural assets on their lands	Needs involvement of local authorities to be interested in such mechanisms. Coordinating agency should encourage local authorities where sensitive areas exist to mobilize resources for such incentives – private sector can play an important role NCARE is applying conservation leasing in some of their projects.

SLM Theme	Innovative Source	Brief Description	Applicability in Jordan
	Soft credits	These are loans with flexible forms of payment or lower interest rates to help finance activities that provide both conservation value and economic benefits to the landowners. Ecotourism, organic agriculture and the sustainable extraction of forest products are examples of these activities	Some entities like Agricultural Credit Corporation (ACC) already use this type of loans. ACC seeks to help increase living standards of farmers by means of credit programs especially those targeting certain community members such as women and unemployed people. Such programs include loans of several types, terms and aims; they are rendered in accordance with laws and by-laws ruling over the Corporations mandate Partnership with other crediting entities should be sought to promote such soft credits
	Endowment fund	Such a fund may be established from public and/or private resources. The interest earned on an endowment fund is applied to conservation purposes, while the original capital remains invested	RSCN has successfully established an endowment fund through USAID showing its applicability in Jordan. Private sector can play an important role A critical mass for an endowment fund is needed, below which annually available disbursements would be too small for effective measures to be undertaken
	Revolving fund	Such a fund continually receive new revenues that are funded by membership fees and individual donations, by charges for specific environmental services, or through a conservation fee paid	Revolving funds have been commonly used in Jordan. The Jordan River Foundation for example has been used this mechanism. An experience which could be turned into a revolving fund is entrance fee for natural reserves which are employed in small projects to help the local community, and enhance tourism in the area of the reserves. Entrance fees for the different reserves range between 1-3 JDs for Jordanians and twice the amount for non-Jordanians.

SLM Theme	Innovative Source	Brief Description	Applicability in Jordan
	Debt Swaps	Debt swaps involve exchanging foreign debt, at a discount, to local development or investment projects. In other words, the debt is priced at less than its face value; the actual value differs from the face value because there is a risk that the indebted country will not pay the debt back	In Jordan: All DS's are signed according to Paris Club Proceedings. Two main types of DS are used in Jordan; DS for Development and DS for Investment. Each of these types has a different mechanism. DS for development mechanism is applicable to finance environmental projects. There are many creditor countries who volunteer to swap their credits for development projects in Jordan. Jordan has used this mechanism for many projects proving a successful mechanism to be further employed. Need to coordinate with MOF and MOPIC. Needs identification of important resources to be conserved.
	Conservation easements	These are voluntary legal agreements that allow landowners to restrict permanently the type and amount of development on their property. Easements are made in partnership with land trusts, which monitor and enforce land-use restrictions on current and subsequent owners. The creation of property easements among private landowners can be promoted through fiscal instruments, such as tax deductions or exemptions. Easements may include restrictions on the use of the land, and obligations to carry out specific management practices	Conservation easements have not yet been put to the test, but they remain a potentially compelling instrument for conserving natural landscape features and biodiversity. Any private landowner may grant an easement to an outside party, which in turn 'holds' the easement and is required to monitor and enforce the adherence of current and future property owners to the easement's terms. Typically, easements are held by local government agencies, land trusts or NGOs
	Communal property rights	These are a form of land right that limits access to public land and establish governance rules for community users. Communal property rights operate as common property inside and private property outside the group, and have the potential to promote local community participation in biodiversity	In Jordan, land-use regulation No. 6 for the year 2007 classified land outside cities/villages plans into five categories depending on their suitability for farming: 1. Agricultural areas; 2. Rural areas; 3. Marginal areas;

SLM Theme	Innovative Source	Brief Description	Applicability in Jordan
		conservation. Communal property rights often establish a unitary and exclusive management system for a given natural resource or area	4. Desert areas; and 5. Forests These categories are divided into sub-categories, for each specific uses are allowed. Can be applied in areas where important resources, such as medicinal plants, need to be conserved. Needs strong local initiative
	Tradable development rights	TDRs are marketable rights awarded to landowners in areas reserved for conservation. These rights can be sold to the owners of land in development areas, to ensure that the owners satisfy requirements for holding a certain number of credits before they gain permission to develop, such as environmental impact assessment (EIA) requirements. They can also be sold to public or private organizations with conservation interests. TDRs have economic flexibility and can enhance economic equality compared with the typical system of zoning for conservation, which allows development in some areas and limits it in conservation areas. The coercive aspect of this latter system often generates hostility. It is relatively inequitable because it allows people in development zones to earn significant income that landowners in conservation areas, through no fault of their own, are unable to share. Under TDRs, people in conservation areas are given development credits that landowners in the development areas purchase in exchange for permission to develop their properties	In general, TDRs require recognition of the following three key principles: 1. Land has development rights attached to it by virtue of relevant legislation; 2. Certain land is desired by a government or community to either remain undeveloped or be restricted in its form of development; and 3. Development rights can be transferred from land so that the development which they represent may occur on other land which is not subject to the same restrictions. TDR scheme contain five essential elements: 1. Donor Site 2. Recipient Site 3. Calculation of TDRs 4. Transfer of TDRs 5. Recording of TDRs In Jordan the land use law is already in place. This situation is ideal for the introduction of TDRs in areas designated as protected areas or where development is to be limited by law, where landowners could thereby be compensated by

SLM Theme	Innovative Source	Brief Description	Applicability in Jordan
			selling the rights to owners in areas where development may occur
	Tradable quota system	These are a means of addressing overexploitation by allocating quotas to individual harvesters or fishers, so that the sum of the individual quotas does not exceed the carrying capacity of that which is harvested or fished. Quotas can be traded between groups of producers, or individually. Those who wish to reduce or curtail their efforts can sell their quotas to others who wish to enter or expand production at rates set by the market	There are no limits for harvesters or fishers in Jordan; each one can get as much as he wants. Tradable quota systems may regulate and enhance sustainable development as well as create good financial mechanism for such people in Jordan
	Fair Trade	Fair Trade is a growing, international movement which aims to ensure that producers in poor countries get a fair deal. This means a fair price for their goods (one that covers the cost of production and guarantees a living income), long-term contracts which provide real security; and for many, support to gain the knowledge and skills that they need to develop their businesses and increase sales. The Fair Trade movement has been one of the most powerful responses to the problems facing commodity producers. It gives consumers an opportunity to use their purchasing power to tilt the balance, however slightly, in favour of the poor	Fair Trade Jordan was brought to life in 2005, by a unique alliance between two local Jordanian and one international NGOs; the Jordan Hashemite Fund for Human Development, the Royal Society for the Conservation of Nature and IUCN-World Conservation Union. During 2005 and 2006 the alliance worked closely with local producers through fair trade markets, promoting the ethics of fair trade to both the producers and consumers. During the second quarter of 2006, seed funding from the British Embassy and the unique alliance paved the way towards the development of a fully independent fair trade entity. Fair Trade Jordan was registered as a private non-profit organization at the beginning of 2007, with the Ministry of Trade and Industry
	Eco-labelling and environmental certification	These systems have gained significant market importance particularly in the area of natural resource extraction and management. These schemes are often voluntary, and often created by private agents in the market. They seek to increase incentives for	Are used for hotels and organic farming. Can be expanded to cover other areas.

SLM Theme	Innovative Source	Brief Description	Applicability in Jordan
		environmentally-sound production by enabling consumers to differentiate between production techniques, product qualities or producing organizations. They are designed to reward producers that integrate environmental considerations into production	
	Special Climate Change Fund (SCCF)	This is used to assist developing countries dealing with climate change, including through adaptation as well as mitigation measures. The Marrakech Accords (November 2001) agreement specifically lists four activities to be supported under this fund: (1) adaptation; (2) technology; (3) energy, transport, industry, forestry and waste management; and (4) activities to assist developing country Parties in diversifying their economies	Needs to coordinate with UNFCCC focal point (MOE) on how to benefit from these funds UNDP and WHO have already developed for example the Adaptation to Protect Health initiative through SCCF – similar initiatives can be sought
	Adaptation fund	Consists of the proceeds of the adaptation levy (a 2 % share of the proceeds of the CDM) put on transactions under the CDM (described below). This fund, known as the Kyoto Protocol Adaptation Fund, was created specifically to finance “concrete adaptation projects and programmes in developing country Parties that have become Parties to the Protocol”. It is meant to aid payment of the costs of adaptive actions carried out to reduce the impact of climate change, and the incremental (response) costs of the impacts due to climate change	Government of Jordan should benefit from such funds for adaptation projects in area of water management, land management, and sustainable agriculture
	CDM forestation/afforestation projects	CDM can be use to finance forestation and afforestation projects under specific methodologies	Forestation and afforestation projects in Jordan should consider co-financing through CDM
Land Rehabilitation	Environment Compensation Fund	In February 2003, Jordan prepared several Monitoring and Assessment studies to assess environmental damages for its water and agricultural natural resources, terrestrial, wetland and marine ecosystems.	The Ministry of Environment has designed a programme that, over its 10 years life (2008-2018), will achieve the following: • Restore the rangeland to its former

SLM Theme	Innovative Source	Brief Description	Applicability in Jordan
		After review of these studies and necessary deliberations, the Governing Council of the United Nations Compensation Commission (UNCC) in June 2005 awarded Jordan the sum of \$160.6 million compensation under F4 category for the rehabilitation and restoration of its terrestrial ecosystem which was damaged due to influx of refugees and their livestock estimated at 1.8 million heads of sheep and goat entered Jordan during the Gulf crisis of 1990-1991	productivity and increase the health, vigour and productivity of sheep and goats. The programme will permit the re-employment of the Badia residents in family livestock businesses. This represents family members who were thrown out of work when flock sizes and marginal profits declined during the 1990s. • Increase the employment rate gradually as the rangeland recovers and the social, economic, and governance institutions are modernised to allow the communities to take advantage of the renewed opportunities. A considerable number of new jobs for pastoralists will be created. This will reduce dependence on rangelands for livelihoods which in turn will reduce the numbers of livestock to the desired level. • Increase primary production (plant biomass production) to pre-Gulf Crisis levels of about 96 kg dry matter per hectare. Plant species and structural diversity will also return to pre-Gulf Crisis levels. • Increase the diversity and abundance of small mammal (e.g., rodents) to pre-Gulf Crisis levels. • Re-establish viable populations of Gazelles, which now barely exist as relict populations of at most a few. • Contribute to social wealth of the Badia communities through the recovery of the

SLM Theme	Innovative Source	Brief Description	Applicability in Jordan
			terrestrial ecosystem services of the Badia. The Bedouin of Jordan will revive their traditional arts and crafts, produce livestock and dairy products for home use as well as for sale, and enjoy their cultural traditions with renewed vigour. The renewal of this ancient endemic culture will drive Jordan's tourist industry, currently the second-largest industry in the country.
All	Jordan Environment Fund (JEF)	A new sustainable financial approach developed currently by the Ministry of Environment with technical support from the Sustainable Achievement of Business Expansion and Quality (SABEQ) programme funded by the USAID. This fund is considered as an outcome of Jordan Environmental Protection Law No. 52 for the year 2006. The revenues earned by the fund to be applied for conservation purposes	According to Article 6 from draft JEF's regulation for the year 2008, the fund's board of directors is headed by Minister of Environment and membership of four representatives from the public sector and five representatives from the private sector. All members are appointed by the council of ministers according to the nomination from Minister of Environment. The duration of this assignment is three years which can be extended for other three years for one time only. The main priorities of this fund, as stated in the draft JEF regulation for the year 2008, will include the following areas: • Enhancing the implementation of national environmental laws and legislations by providing financial assistance to the different industrial units to develop and implement the latest environmental technologies. • Supporting projects that contribute in achieving the sustainable development of natural resources, and national

SLM Theme	Innovative Source	Brief Description	Applicability in Jordan
			environmental priorities. • Supporting the investment in environmental friendly technologies, and encouraging initiatives to improve the quality of local products and industries to make them more competent. • Strengthening the cooperation and experience exchange between local, regional, and international agencies to support environment. • Raising awareness in environment friendly technology and demonstrating its socio-economic importance • Supporting any other activities that contribute in implementing JEF's priorities. Article 17 from the draft regulation stated the potential financial resources for the fund, those include: • Government's contribution in the Public Budget • Fines collected against environmental violations • Fees collected by MOE for issuing licenses and permits • Grants and donations from individuals, public organizations and donor agencies • Share from selling Carbon Credits according to CDM • Taxes and costumes on selling or producing products and/or imports that have any negative environmental impacts • Income from investing JEF's own balance

SLM Theme	Innovative Source	Brief Description	Applicability in Jordan
Energy (indirect link to SLM)	Jordan Renewable Energy and Energy Efficiency Fund (JREEF)	The Ministry of Energy and Mineral Resources (MEMR) prepared in 2007 a draft Renewable Energy Law. This draft law is still under process of legal validation. Main objectives of the law are to: diversify sources of energy, reduce dependence on imported energy, promote production of electricity generated from renewable sources, encourage private sector to invest in renewable energy, reduce GHG emissions, protect the environment and establish the JREEF.	As stated under Article 21/b from the draft law, JREEF is established as a mixed institution from public and private sectors. The board of directors is composed of five representatives from the public sector and four representatives from the private sector. Article 21/c states: "The objective of the Fund is to contribute to the development of renewable energy and energy efficiency in Jordan, based on the diversity of renewable energy resources available in the country and the potential for energy savings reflecting the country's pattern of energy consumption." The fund's potential source of financing as stated under Article 12/d include: • Government's contribution in the Public Budget • Grants and donations from public organizations and donor agencies • Income generated from the fund's activities • Any other source of income accepted by the fund and approved by council of ministers Further legal texts governing the fund's administration and authorities, supervision on its activities, how to invest its balance and any other related topics will be defined according to a regulation to be issued by MEMR.

Chapters 4 to 7 present the four outcomes that combined will lead to a more systematic mobilizations of resources under UNCCD (the strategy goal). These outcomes include an enhanced enabling environment for resource mobilization (outcome 1), enhanced mobilization and allocation of internal resources (outcome 2), enhanced mobilization of external resources (outcome 3) and enhanced mobilization of innovative resources (outcome 4).

Under each outcome, outputs were identified that are directly linked to the analysis presented in Chapter 3. For each output, a set of activities is recommended to reach the output. The priority/timeline for each output is also defined as high, medium or low depending on its urgency and contribution to the IFS process. Level of financing needed is also estimated and possible financing sources are proposed. These should be further explored during IFS implementation using the tools developed, in particular the donor matrix. Implementation modalities are also described under each output.

The entire set of outcomes, outputs and activities is summarized in Chapter 8 in the form of an action plan following the logical framework methodology. The action plan is the basis for IFS implementation.

The entire strategy should be monitored and implemented based on a Monitoring and Evaluation (M&E) system that will allow the proper follow-up and updating of the strategy with time. The strategy is assumed to be implemented in a timeframe of 5 years, whereby high priority measures should be initiated within Year 1, medium priority measures within Year 2 and low priority within Year 3.

The UNCCD should be the main owner of this strategy and ensure its implementation and the appropriate participation of each stakeholder according to its role in the strategy implementation, as proposed in the action plan.

4 OUTCOME 1: ENHANCED ENABLING ENVIRONMENT FOR RESOURCE MOBILIZATION IN JORDAN

We could have all the money in the world, but if we do not have the right environment, we will not be able to use it the way we would have liked to...

Review of the national context has revealed several constraints at the level of the enabling environment, which could hinder resources mobilization. In order to properly mobilize and allocate resources for SLM, it is important to secure an appropriate legal and institutional environment to optimize the flow and impact of resources. The first outcome of the IFS implementation is expected to be an enhanced enabling environment for resources mobilization in Jordan by means of more conducive legal, institutional, and planning frameworks. This outcome may be achieved by achieving the following outputs:

- 1 Enhanced Legal Framework for resources mobilization
- 2 Enhanced Institutional Framework
- 3 Consolidated development and implementation of related policies
- 4 Enhanced awareness on importance of SLM targeting decision-makers, including parliamentary committees, GBD and MOF; economic tools should be a major instrument for awareness raising

4.1 Output 1.1: Enhanced Legal Framework for Resources Mobilization

Rationale

Based on analysis of the existing legal system and consultation with relevant stakeholders, several shortcomings of the legal framework, which hinder resource mobilization, were identified, including the following:

- 1- Environmental law No. 52 of 2006 lacks basic principles that would lead to better mobilization of resources;
- 2- Investment promotion law lacks integration of SLM/environmental principles to channel resources to environmentally sound investments;
- 3- Inconsistencies among texts leading to an inadequate implementation of punitive systems, while fines themselves are largely inadequate to deter violations;
- 4- Lack of appropriate incentives to existing and new investments to implement environmental measures which would support among others sustainable land management;
- 5- Lack of minimum requirements which would impose certain environmental/social investments such as water efficiency measures, energy efficiency, greening, and even corporate social responsibility measures.

It is important to note that under the 2007-2009 executive programme, major legal reforms are being undertaken. There is therefore an overall reform climate which would be conducive to reforms in the environmental legal framework. Such a reform aiming at modernizing and updating the existing legislation would lead to a more conducive legal environment for resource mobilization, hence supporting the overall goal of the IFS.

Proposed Activities

Specific actions recommended to enhance legal framework for resources mobilization, in addition to those technical measures already identified under the NAP formulation process include:

- 1- Update Environmental Law to include polluters-pay principle, principle of economic incentives, right to claim for environmental damages, and environmental insurance; penalties system may need to be updated to be more effective as well as related regulations;
- 2- Update Investment promotion law to integrate sustainable development principles including principles of sustainable land management;
- 3- Undertake consolidation of existing environmental legislation to remove inconsistencies, update the penalties system and provide incentives to environmental investments;
- 4- Assess options to create more incentives for Corporate Social Responsibility (CSR) to be adopted by industries or private firms; this could help mobilize significant resources from the private sector.

Priority/Timeline

Legal reforms are time consuming processes. At the same time, once completed, these reforms can make significant contributions to the entire process. This is a high priority output and should be initiated in the first year of implementation.

Financing

This activity can be largely financed by internal resources. In addition, several multilateral and bilateral agencies are normally keen in supporting such reforms, like The World Bank or USAID. Estimated funding level required: JD 200,000.

Implementation Modalities

The NCCD should coordinate with the relevant ministries responsible for the laws that require reform towards to initiate such reforms. Legal advisors/consultants may need to be recruited to support the process. Important institutions in this process are:

- MOE (as a lead agency)
- MOF
- MOJ
- Ministry of Economy
- Line ministries (Agriculture, Tourism, Industry)
- Higher Council for Encouragement of Investment
- NGOs (to support in lobbying and passing of reforms)

4.2 Output 1.2: Enhanced Institutional Framework

Rationale

Institutions need to be capacitated in a way to be able to properly manage and implement resource mobilization for SLM. Three levels of institutional strengthening are proposed:

- 1- At the level of MOE and MOPIC, as main drivers of the IFS process;
- 2- At the level of NCCD
- 3- At the level of each key line ministry and institution

By appropriately addressing the weaknesses at these three levels, the concerned institutions will be more capable to play their envisaged role in SLM and resource mobilization.

Proposed Activities

Key activities would include:

- 1- Institutional strengthening of MOE and MOPIC as key players in implementation of the IFS, including:
 - a. For MOE, institutional strengthening activities should aim primarily at building the capacity of the newly established staff of the UNCCD focal point unit in aspects related to resource mobilization, coordination, negotiation, partnership building, and M&E, to allow the unit to better play its central role CD/SLM and resource mobilization.
 - b. For MOPIC, institutional strengthening should address improving coordination with other line ministries (reviewing coordination channels, procedures, human capacities), building capacity of staff in M&E below the sector level, and most importantly, reviewing the disbursement procedures for processing loans in order to simplify these procedures and avoid lengthy delays.
- 2- Strengthening the NCCD as a main coordination platform for SLM, including IFS implementation; this would include the following key measures:
 - a. Revisiting mandates of NCCD
 - b. Revisiting membership with proper job description / qualifications
 - c. Allocating financial resources to NCCD operation
 - d. Devising a communication strategy for NCCD to better interact with stakeholders
 - e. Developing a clear work plan for NCCD (with short-term and long-term objectives) and form working groups with clear tasks and targets for each working group
 - f. Building the capacity of members, and most importantly the focal point, in aspects related to operability of the committee (such as agenda preparation, reporting back, follow-up, preparation of effective minutes of meetings, setting targets, etc.)
- 3- Strengthening the capacity of other line ministries and stakeholders which have a key role in resource mobilization and implementation of the IFS and address institutional issues among those stakeholders.
 - a. Build capacity of key MOA staff in M&E and participatory planning tools and assess means to build synergies and reduce conflicts of interest with other agencies such as NCARE

- b. Assess means to improve coordination among MOPIC, MOA and MOSD; strengthening of NCCD can be an appropriate platform to improve this coordination
- c. Strengthen coordination between local governments and national government (NCCD can play a catalytic role) to ensure adequate flow of information and appropriate translation of local needs in national programmes
- d. Build capacity of local governments in M&E and participatory planning, and improve transparency in allocation of resources
- e. Work with active semi-governmental organisations and NGOs in the fields of participatory approaches to natural resources management

Priority/Timeline

Institutional strengthening of MOE and MOPIC (activity 1) and NCCD (activity 2) is of high priority and should be initiated with main activities completed during the first year. As main drivers of the IFS process, it is of utmost importance that these institutions have the appropriate capacity to manage it and implement it. Activity 3 is of medium priority.

Financing

These activities can be financed both through internal budgets by each concerned institution but also be co-financed by multi-lateral and bi-lateral agencies interested in supporting institutional strengthening and capacity building activities (includes USAID, SAIC, EU, UNESCO – others can be referred to in donors matrix).

Anticipated funding level needed:

Activity 1: JD 100,000

Activity 2: JD 200,000

Activity 3: JD 300,000

Implementation Modalities

It is recommended that NCCD sub-divides the above activities into relevant modules according to nature of capacity building activities, so that these modules can be supported by specialized consultants, and where possible, be done in-house. Concerned institutions in this institutional strengthening program should work together to maximize synergies and leverage resources.

4.3 Output 1.3: Harmonized Policy Making and Implementation of SLM Initiatives

Rationale

A major finding of the analysis of the national context with respect to the policy making and planning frameworks is that while SLM principles are integrated in numerous policies of the government, there seems to be limited linkages among these policies, with limited opportunities for synergies and leveraging during implementation. Levels of implementation of the different policies also vary largely with limited monitoring and evaluation of impacts of the measures on SLM. The enhanced coordinating body (NCCD) could support devising a national cross-sectoral SLM strategy, with the following benefits:

- 1- Provides opportunities for streamlining related policies removing redundancies and inconsistencies and integrating SLM in sectors where it is currently not well integrated, such as in poverty alleviation strategies;
- 2- Provides opportunities to promote SLM into one package of related initiatives being implemented under one umbrella programme; economic tools such as cost-benefit analysis can be used to push the programme forward during budget negotiations and setting of executive programmes;
- 3- Allows effective monitoring and evaluation of impacts of the programme on SLM.

Proposed Activities

Major activities under this output would include:

- 1- Develop an SLM umbrella programme integrating related-initiatives under different sectors into one harmonized programmes, including the NAP projects; this would entail the following:
 - a. NCCD to organize a meeting with the major line ministries responsible for the relevant strategies (as described in Table 3-8) to initiate harmonization process;
 - b. Overlapping activities in different strategies (such as water demand reduction measures in both water strategy and population strategy) will be consolidated;
 - c. Strategies with insufficient mainstreaming of SLM principles, such as poverty reduction strategy, will be reviewed and where appropriate, SLM will be integrated in these strategies; this will require close coordination between sectoral ministries (such as MOSD) and MOE, with the support of technical (in SLM) and policy experts, to properly advise on mainstreaming needs;
 - d. SLM-related activities per sector will be aggregated into a common umbrella programme; these will include the programmes from the NAP which has been endorsed by the cabinet; MOPIC will have an important role to support integration of the umbrella programme (or its priority activities as decided by the relevant institutions – the prioritization methodology developed and used in this IFS for prioritizing NAP programmes/activities could be used) into the 2010-2012 executive programme; preparation of the executive programme has been initiated; hence this mainstreaming and harmonization exercise is of HIGH PRIORITY.
- 2- Undertake a cost benefit analysis (CBA) of the programme to support mainstreaming and justification for funding; this is also URGENT;
- 3- Devise a monitoring and evaluation programme, with clear indicators to evaluate impacts of measures; the M&E programme will be in line and based on MENARID's M&E system which is being devised.

Priority/Timeline

This is a HIGH PRIORITY output and plays a central role to the entire IFS. If properly implemented, it will allow significant resources to flow towards implementation of SLM activities, including NAP activities; these activities need to be implemented and completed within the next 6 months to allow integration of the umbrella programme under the next executive programme.

Financing

Most of these activities can be supported by external partners. The GM has expressed interest in supporting the development of the umbrella programme. The World Bank has significant experience and interest in supporting/financing CBA studies. The development of the M&E system could also be supported by GM/IFAD.
Anticipated funding level needed: JD 300,000

Implementation Modalities

The NCCD should play a pivotal role as a coordination body to implement these activities. It should call for a special meeting to initiate the mainstreaming exercise in close coordination with the GM. Should also call for external assistance to develop TORs and outsource the CBA study. The M&E system can be developed as part of the mainstreaming exercise in coordination with GM/IFAD.

4.4 Output 1.4: Enhanced Awareness of Decision-Makers on Importance of SLM**Rationale**

The government has launched a major reform in Jordan, and is mainly focused on judicial, legal, financial and infrastructure reforms, without properly linking with SLM. It is important that decision-makers understand these linkages, and how SLM is related to local development, poverty alleviation, and sustainability, which would support their acceptance to increasing budgets towards SLM activities.

Proposed Activities

Key activities include:

- 1- Design and prepare relevant materials to be used to key decision-makers showing linkages between SLM and economic development, as well as costs of land degradation to the country's economy
- 2- Organize series of awareness sessions with identified decision-makers
- 3- Revise materials based on feedback and review of results indicators (assessing whether a shift in attitude has been achieved or not)
- 4- Seek support of NGOs to pressure decision-makers; involve NGOs to become active partners in the process.

Priority/Timeline

This output is of high priority as it will support mainstreaming of SLM and is complementary to output 1.3.

Financing

The World Bank could be interested in financing the Cost of Land Degradation study (in parallel to the CBA required to achieve output 1.3) as it has been conducting these studies in the MENA region and promoting this tool as a main tool for prioritization and mainstreaming. Preparation of awareness materials and delivery of sessions could be financed by other partners interested in supporting such political processes (SAIC, UNDP, GTZ).

Expected level of funding needed: JD 200,000

Implementation Modalities

NCCD should seek support to prepare TORs to hire an appropriate consultant to design and develop an effective awareness campaign. The campaign may require production of multi-media materials, posters and others that will necessitate the hiring of an advertisement partner. NGOs should also be involved in this process to support the awareness raising activity.

5 OUTCOME 2: ENHANCED MOBILIZATION AND ALLOCATION OF INTERNAL RESOURCES

Important reforms are currently being undertaken as part of the National Agenda objectives which were translated in several measures in the 2007-2009 executive programme. These include major fiscal, financial, and budgeting reforms, which will certainly support better mobilization of resources. Only incremental measures which would support mobilization of resources towards SLM are considered in this IFS. Important outputs to be achieved include:

- 1- Capacity building of relevant agencies identified in the IFS in prioritization setting, budget preparation, and programme/project implementation;
- 2- Capacity building of local authorities to enhance mobilization of local resources;
- 3- Promote private sector investment in SLM activities by targeting private companies through their CSR policies.

5.1 Output 2.1: Enhanced Capacity of Stakeholders in Budget Preparation and Implementation

Rationale

The IFS development team has conducted a detailed analysis of 12 institutions directly related to SLM. The staff of these institutions directly involved in budgeting and program implementation should benefit from training in the areas of priority setting, budget preparation using KPI's, and programme/project implementation. Several members of the analysed institutions have expressed the need to be better prepared in these areas, which strongly influence the level of resource mobilization and the ability to properly disburse available resources.

Proposed Activities

The following activities are proposed to reach this output:

- 1- Conduct a rapid needs assessment of personnel staff in identified institutions to tailor training needs to each institution
- 2- Develop TORs to select a training consultant specialized in the areas of budget setting and implementation to develop training materials based on identified needs
- 3- Implement training sessions and monitor effectiveness of training through selected performance indicators.

Priority/Timeline

The priority of this activity is medium as it will not influence significantly the integration of SLM programmes in the next executive programme.

Financing

Resources to implement this activity can be sought from external partners, many of which are interested in capacity building and training support. UNDP could be an appropriate partner for this activity.

Expected level of funding needed: JD 200,000

Implementation Modalities

Being a cross-sectoral activity involving several agencies, the NCCD is well positioned to lead this activity and initiate the rapid needs assessment. This can be done largely through internal resources and in-kind contributions to accordingly prepare TORs to hire a specialized consultant to design and implement the training programme.

5.2 Output 2.2: Enhanced Capacity of Local Authorities in Raising Funds for SLM**Rationale**

Local authorities, through their local development plans, can be an important platform to finance SLM activities. With their financial autonomy, they can mobilize resources for SLM if equipped with the necessary capacities and tools. Such capacity is however largely deficient in many municipalities, hence hindering effective mobilization of resources at the local level as well as the disbursement of available resources.

Proposed Activities

Proposed activities to reach this output include:

- 1- Prepare TORs to hire a consultant for the design and implementation of a training programme on preparation of local development plans that integrate SLM principles;
- 2- Train municipalities on programme/project implementation to enhance utilization of funds;
- 3- Coordinate with MOMA to ensure its awareness on importance of SLM to facilitate acceptance of requested municipal budgets.

Priority/Timeline

This activity is of medium priority.

Financing

Several external partners are supporting local development plans and sustainable development at the local level. These include GTZ, CIDA, UNDP, SIDA and AFD, among others. These agencies as well as others as presented in the donor matrix can be contacted to support this activity.

Expected level of funding needed: JD 1,000,000

Implementation Modalities

It would be strategic to have MOMA leading this activity as a major demonstration of its importance. MOMA would be supported by MOE on the technical level on issues related to sustainable development to be able to develop a ToRs, in coordination with the external partner,

and hire a consultant to support in the development and implementation of training activities. NCCD would play an important role in mobilization the attention of MOMA.

5.3 Output 2.3: Increased Use of Local Private Funds in SLM

Rationale

The private sector can play an important role in supporting SLM activities. While the proposed legal reforms suggested under Output 1.1 would encourage private investments in SLM activities, other measures would also encourage contributions from the private sector to environmental initiatives under CSR or other mechanisms. A number of companies in Jordan already support initiatives with no financial returns to improve their green images and meet CSR targets. Also Jordan should benefit from an increasing trend of biodiversity and ecosystem finance whereby the private and financial sectors understand the benefits in investing in conservation.

Proposed Activities

Key activities would include:

- 1- Survey private companies in Jordan, including commercial entities such as local banks, inquiring about CSR policies, environmental policies, and other elements which could hint towards an interest in supporting such initiatives;
- 2- Rank the companies in order of likelihood to support SLM initiatives based on a pre-defined set of criteria including availability of CSR policies and potential level of funding that can be secured;
- 3- Include these companies as a possible source of financing for SLM programmes under the umbrella programme or local development plans;
- 4- Develop targeted materials for the private sector to understand the importance in investing in SLM-related activities and mobilize more resources.

Priority/Timeline

This output is of medium priority. While it could provide additional sources of financing from the private sector, the current financial markets and other parameters may not be very appropriate to initiate these activities during the first year of strategy implementation.

Financing

This activity could be largely financed from internal resources (particularly for the survey of companies in association with department of statistics). Development of materials to mobilize private financing could be done in partnership with UNEP FI (United Nations Finance Initiative – www.unepfi.org).

Expected level of funding needed: JD 50,000

Implementation modalities

NCCD could coordinate this activity inviting department of statistics, ministry of industry, chamber of commerce, and other relevant parties to cooperate in this initiative. Involving a strong and knowledgeable external partner such as UNEP FI programme would be instrumental to achieve best results.

6 OUTCOME 3: ENHANCING RESOURCE MOBILIZATION FROM EXTERNAL SOURCES

External sources of financing are a major source of financing of SLM activities as indicated in the financial flows analysis conducted. International donors are very active in Jordan, and coordination platforms between government and donors already exist. Some outputs could however enhance the cooperation with donors, and further facilitate financial streams from external partners. These include:

- 1- Enhance knowledge of local stakeholders on donors modalities, country strategies preparation, and new potential international partners
- 2- Support MOPIC in enhancing effectiveness of donor-government coordination mechanism

6.1 Output 3.1: Enhanced Knowledge of Local Stakeholders on External Sources of Financing

Rationale

Despite the active role of external donors and agencies in Jordan, there is still a significant need to build the capacity of local actors to understand donor modalities for mobilization and disbursement of donor-financed programmes/projects. During development of the IFS, local stakeholders have expressed at many instances the need to better understand donor modalities and procedures. Increasing the capacity of national institutions and local players to work with external partners would facilitate mobilization and use of external resources, hence contributing to overall goal of the IFS.

Proposed activities

Proposed activities include:

- 1- Develop an on-line database of external partners using the donor matrix prepared by the IFS team
- 2- Develop and organize training programs focusing on donors modalities, donor procedures to set country strategies (based on donor matrix), and new potential partners; in particular, understanding donor programming cycles is a very important way to integrate SLM in donor priorities for the country

Priority/Timeline

Given the already large presence of donors in Jordan, the priority of this activity is considered to be medium. The database could be part of the GEF/IFAD MIS project that is about to be implemented in Jordan – hence the NCCD should closely coordinate this activity with IFAD.

Financing

The preparation of the on-line database could be financed through the GEF/IFAD MIS project if sufficient resources are available. The trainings could also be supported by one of the active external partners in Jordan.

Expected level of funding needed: JD 150,000

Implementation modalities

The NCCD should closely coordinate with IFAD to try to integrate the development of the on-line donors' database with the GEF MIS project in Jordan. IFAD already runs the FIELD research engine – the Jordanian version could benefit from this experience. NCCD should also mobilize resources to involve external partners to develop training programs for local actors on donor modalities. Local actors should include central government stakeholders, local actors and NGO representatives. MOPIC could include this topic in the agenda of an upcoming government-donor coordination meeting to discuss a joint implementation of this activity.

6.2 Output 3.2: Enhanced Effectiveness of Government – Donor Coordination**Rationale**

MOPIC has recently established the government-donor coordination mechanism. Being a recent platform, building the capacity of MOPIC to sustain an effective coordination which could lead to concrete results in terms of resource mobilization and improving partnerships is important. Strengthening this platform would largely support also the work of NCCD in mobilizing external sources of funding.

Proposed Activities

Key activities would include:

- 1- Review internal procedures of coordination mechanism (mandates, membership, communication tools, agenda setting, reporting back, follow-up);
- 2- Update procedures to enhance existing ones, focusing on developing tools to enhance effectiveness of the meetings, such as preparation of focused discussion papers, effective presentations, and follow-up and communication mechanisms;
- 3- Establish coordination procedures between NCCD and the government-donor coordination group to ensure effective communication and integration of SLM topics in the working groups' meetings agenda.
- 4- Organize a special meeting to discuss the SLM umbrella programme discussed under outcome 1 and promote the participation of external donors in its implementation.

Priority/Timeline

This is a high priority output as it supports mainstreaming of SLM in donors agendas and supports NCCD efforts.

Financing

This activity can be largely financed through internal resources and in close partnership with the donor lending group. The GM could support in revising mandates and procedures of the coordination mechanism.

Expected level of funding needed: JD 30,000

Implementation modalities

MOPIC should coordinate with GM to review coordination modalities and procedures. MOPIC should organize a meeting with government-donor coordination group to discuss implementation of this output.

7 OUTCOME 4: ENHANCED MOBILIZATION OF INNOVATIVE SOURCES OF FINANCING

Analysis of possible innovative sources of financing in Jordan which could be rapidly mobilized to support SLM initiatives has indicated several opportunities. During the second participatory workshop, these sources of innovative financing were discussed in depth, particularly in terms of their applicability. A short-list of those innovative sources having most potential to rapidly mobilize additional resources for SLM has been accordingly prepared. These include:

- 1- Use of revolving funds in particular as part of poverty alleviation schemes in rural areas
- 2- Use of debt swaps to co-finance SLM programmes
- 3- Use of climate change mechanisms, in particular special climate change fund, adaptation fund, and CDM (in particular for afforestation and water efficiency projects)
- 4- Financing from Environment Compensation Unit
- 5- Jordan environment fund

7.1 Output 4.1: Enhanced Use of Revolving Funds to Support SLM Activities

Rationale

While there is currently some criticism from specialists about the effectiveness of revolving funds, these have been quite common in Jordan and appear to be adequately supporting communities in poor areas of the country based on reports provided by stakeholders throughout the development of the IFS. Given successful use of revolving funds in Jordan, these mechanisms can be used to channel resources towards poor communities in favour of SLM with the aim of ultimately becoming a sustainable source of income in rural areas tackling SLM and poverty alleviation projects.

Proposed activities

Following activities are suggested:

- 1- Review existing experiences with revolving funds in Jordan and draw lessons-learned and recommendations;
- 2- Based on SLM and poverty alleviation target regions, identify key areas for establishment of revolving funds;
- 3- Establish revolving funds and monitor systems effectiveness.

Priority/Timeline

The output is of low priority. It can be initiated once other processes for mobilizing internal and external resources are initiated/on-going.

Financing

In addition to internal resources, external partners interested in sustainable development and poverty alleviation may support such an output. These include agencies like USAID, GTZ and UNDP.

Expected level of funding needed: JD 5,000,000 (to include initial funds)

Implementation modalities

NCCD should discuss this output with committee members to list the initiatives in Jordan which have benefited from revolving funds. This can be used to stocktaking information on lessons-learned and procedures to establishing revolving funds. Priority areas to establish such mechanisms should be identified based on socio-economic conditions and poverty levels. Important stakeholders to participate in this output are MOE, MOA, MOSD, MOWI and local communities.

7.2 Output 4.2: Enhanced Use of Debt-Swaps to Co-finance SLM Activities**Rationale**

Debt-swap is a well-understood mechanism in Jordan. MOPIC and MOF have used this mechanism through various agencies. It is a mature mechanism that could be increasingly used to support SLM and conservation activities hence generating additional resources.

Proposed activities

Proposed activities include:

- 1- Review existing experiences with debt-swaps in Jordan and draw lessons-learned and recommendations;
- 2- Identify nature conservation projects which could benefit from debt-swap based on umbrella programme projects;
- 3- Formulate recommendations and initiate the debt-swap process to support available internal and external funds under the umbrella programme.

Priority/timeline

This is a high priority activity because it has a high potential to contribute to financing the umbrella programme.

Financing

This activity can be implemented primarily through internal resources.
Expected level of funding needed: JD 50,000

Implementation modalities

MOPIC should coordinate this implementation of this output with MOF and MOE. A special sub-committee under NCCD can be formed to follow-up on this output to try to secure resources from debt-swaps to implement conservation measures under the umbrella programme to be integrated in the 2010-2012 executive programme.

7.3 Output 4.3: Increased Use of Financing Opportunities from Climate Change Mechanisms

Rationale

The UNFCCC presents several financing mechanisms which can support also SLM related activities. Mechanisms most relevant to Jordan include the SCCF, adaptation fund, and CDM. Voluntary mechanisms can also offer an opportunity of financing. However these mechanisms remain under-utilized; also relevant stakeholders should become more familiar of upcoming mechanisms (SCCF and adaptation fund) in order to start exploring ways to benefit from them for SLM-related activities and eventually co-financing relevant programmes/projects from the umbrella programme.

Proposed activities

Following activities are proposed:

- 1- Review procedures for SCCF and adaptation fund in Jordan and identify measures under SLM related programmes (in particular the umbrella programme) which can benefit from these sources;
- 2- Conduct awareness sessions on CDM opportunities linked to SLM; main opportunities would include afforestation projects (as expressed by national stakeholders, in particular from MOA) as well as water efficiency projects; support preparation of at least one CDM project under a relevant area;
- 3- Review procedures for voluntary carbon credits and conduct awareness sessions to relevant stakeholders including MOE and MOA to benefit from such credits particularly for rangeland rehabilitation projects.

Priority/Timeline

The priority of this output is high as there is a high likelihood to be able to benefit from carbon-related funds to co-finance the umbrella programme, and given the fact that mobilization of these resources can be time consuming, hence the need to initiate the process early on.

Financing

Several players from the private sector are very active in this field, particularly project developers. These have an interest in supporting these activities as marketing for their businesses. They can therefore represent an important source of financing to support this output. Other sources of financing could be UNDP and the World Bank, which are increasingly active in the carbon financing sector. Last but not least, GM's strategic programme on climate change and environmental services could also support this output.

Expected Level of funding needed: JD 1,000,000 (depends on role of project developer – and whether it is financing CDM cycle for example)

Implementation modalities

NCCD should coordinate implementation of this output with UNFCCC focal point at MOE to identify a suitable developer interested in supporting this output by providing the necessary technical inputs to the different proposed activities. NCCD should coordinate with GM's strategic programme on climate change and environmental services to support this process.

7.4 Output 4.4: Increased Use of Environment Compensation Fund

Rationale

The environment compensation fund, aiming at rehabilitating rangeland areas, which is an activity highly relevant to SLM, has formulated its application procedures. This is a major source of financing which should be effectively used to support SLM initiatives. Relevant programmes/project under the umbrella programme should be able to benefit from this source of financing.

Proposed activities

Proposed activities include:

- 1- Review environmental compensation fund procedures and coordinate with environmental compensation unit;
- 2- Identify opportunities under relevant SLM programs, particularly within the umbrella programme, that would be eligible for funding;
- 3- Submit applications as relevant.

Priority/Timeline

This is a high priority output as compensation unit is operational and is starting to disburse funds, hence being a concrete opportunity for co-financing SLM activities.

Financing

This output can be financed mainly from in-kind internal resources. The GM could provide also some in-kind contribution in the development of necessary proposals to the compensation unit. Expected level of funding needed: JD 10,000.

Implementation modalities

NCCD should initiate coordination with the environment compensation fund to understand procedures and requirements. The topic should be exposed to NCCD members to agree on relevant programmes to be proposed for co-financed by the fund. GM could be involved in this process to provide in-kind support.

7.5 Output 4.5: Expedited Establishment of Environmental Fund

Rationale

Undoubtedly, the new environmental fund will form a cornerstone for mobilization of resources to support environmental priorities. While the fund is currently in the process of endorsement by parliament, a close follow-up with the relevant parliamentary commissions and decision-making bodies would avoid unnecessary delays and expedite the process.

Proposed activities

Proposed activities include:

- 1- Assign a follow-up focal point on the environmental fund approval process;
- 2- Identify bottlenecks if any to its approval and propose solutions;
- 3- Arrange for political lobby to accelerate process of approval by mobilizing civil society and pressure groups.

Priority/Timeline

The output is of high priority as it will significantly support the channelling of resources for implementing environmental priorities, including SLM activities.

Financing

This output requires primarily in-kind internal resources for implementation. The GM can also support this process.

Expected level of funding needed: JD 30,000

Implementation modalities

NCCD should lead the implementation of this activity in close coordination with CSOs/NGOs which can act as pressure group.

8 THE IFS ACTION PLAN

This section presents the proposed action plan based on the previous chapters and proposed outcomes, outputs, activities, priority levels and implementation modalities. The action plan is shown in **Table 9-1**.

9 CONCLUDING REMARKS

This Integrated Financing Strategy was prepared in a highly participatory manner, with a large number of stakeholders having been involved in different phases of strategy preparation. Stakeholders represented the government, public agencies, donors and external agencies active in Jordan, NGOs, and the private sector. The strategy has led to the development of a detailed action plan. The implementation of the action plan should lead to enhancing the enabling environment for resource mobilization in Jordan and increase the financial flows towards SLM and combating desertification in the country.

The action plan includes indicators, and proper monitoring and evaluation of strategy implementation should be followed by NCCD to ensure adequate follow-up of work progress and impacts of the work on the enabling environment and financial flows mobilized.

Last but not least, the IFS is in line with the changing international financing environment, and its implementation represents a golden opportunity for Jordan to initiate alignment of its efforts to combating desertification with UNCCD's 10-year strategy.

Table 9-1: IFS Action Plan

Output	Activity(ies)	Responsibility	Indicator	Baseline	Target	Source of Verification	Priority	Budget/Resources	Risks & Assumptions
Outcome 1: Enhanced Enabling Environment for Resource Mobilization in Jordan									
1.1 Enhanced Legal Framework for resources mobilization	1. Update Environmental Law to include polluters-pay principle, principle of economic incentives, right to claim for environmental damages, and environmental insurance; penalties system may need to be updated to be more effective as well as related regulations 2. Update Investment promotion law to integrate sustainable development principles including principles of sustainable land management 3. Undertake consolidation of existing environmental legislation to remove inconsistencies,	Lead: MOE Support: MOF, MOJ, Ministries of economy, agriculture, tourism and industry, Higher Council for Encouragement of Investment, and NGOs (for lobbying)	1. No update in legal framework 2. Environmental Law and investment promotion law updated 3. Legal framework consolidated to remove inconsistencies, with appropriate punitive system and incentives	1. No update	3	- Official gazette	High	JD 200,000 Possible sources: internal + external (possible sources are World Bank and USAID)	- Political will - Close follow-up from MOE

Output	Activity(ies)	Responsibility	Indicator	Baseline	Target	Source of Verification	Priority	Budget/Resources	Risks & Assumptions
	update the penalties system and provide incentives to environmental investments 4. Assess options to create more incentives for Corporate Social Responsibility (CSR) to be adopted by industries or private firms; this could help mobilize significant resources from the private sector								
1.2.1 Strengthened institutional capacity of MOE and MOPIC for implementation of IFS	1. For MOE, build the capacity of the newly established staff of the UNCCD focal point unit in aspects related to resource mobilization, coordination, negotiation, partnership building, and M&E, to allow the unit to better play its central role CD/SLM	Lead: NCCD Beneficiaries: MOE and MOPIC	1. UNCCD focal point unit with limited capacity for follow-up of CD/SLM and IFS; MOPIC staff with limited capacity for M&E below sector level and disbursement procedures complex 2. Coaching of UNCCD focal point unit staff and MOPIC staff initiated;	1	4	- Capacity assessment survey of relevant MOE and MOPIC staff - Document describing Disbursement procedures of MOPIC	High	JD 100,000 Possible sources: external donors interested in institutional strengthening activities	- Willingness of institutions to cooperate - Political will to revise disbursement procedures

Output	Activity(ies)	Responsibility	Indicator	Baseline	Target	Source of Verification	Priority	Budget/Resources	Risks & Assumptions
	and resource mobilization 2. For MOPIC, address improving coordination with other line ministries (reviewing coordination channels, procedures, human capacities), building capacity of staff in M&E below the sector level, and most importantly, reviewing the disbursement procedures for processing loans in order to simplify these procedures and avoid lengthy delays		3. Disbursements procedures at MOPIC being reviewed 4. Capacity assessments of staff provides satisfactory results and MOPIC disbursement procedures simplified						
1.2.2 Strengthened capacity of NCCD	1. Revisiting mandates 2. Revisiting membership with job description / qualifications 3. Allocation of financial	1. Lead: Cabinet of Ministers 2. Support: MOE and NCCD members	1. New mandates with new membership 2. Financial resources allocated for operation 3. Communication strategy ready	Operational but with slow achievements Still at planning phase requiring	4	- Mandates - TORs of members - Available budget - Work plan - Progress reports	High	JD 200,000 Possible sources: same as 1.2.1	- Commitment of members - Financial resources are secured - SLM is seen as a national priority / competition

Output	Activity(ies)	Responsibility	Indicator	Baseline	Target	Source of Verification	Priority	Budget/Resources	Risks & Assumptions
	resources 4. Communication tools/strategy 5. Work plan (short-term and long-term objectives) 6. Building the capacity of members, and most importantly the focal point, in aspects related to operationality of the committee (such as agenda preparation, reporting back, follow-up, preparation of effective minutes of meetings, setting targets, etc.)		4. NCCD operational, meeting frequently, with clear work plan and implementing IFS actions	elaborate coordination					with other priorities - Lack of cooperation among members - Accuracy of planning assumptions
1.2.3 Strengthened capacity of line ministries and stakeholders	1. Build capacity of key MOA staff in M&E and participatory planning tools and assess means to build synergies and reduce conflicts	Lead: NCCD	1. Capacity building activities designed 2. Capacity building activities on-going 3. Relevant institutions strengthened	Limited capacity building activities	4	- Capacity assessment results - Minutes of meetings related to coordination mechanism	Medium	JD 300,000 Possible sources: same as 1.2.1	- Commitment of members - Cooperation among stakeholders

Output	Activity(ies)	Responsibility	Indicator	Baseline	Target	Source of Verification	Priority	Budget/Resources	Risks & Assumptions
	of interest with other agencies such as NCARE 2. Assess means to improve coordination among MOPIC, MOA and MOSD; strengthening of NCCD can be an appropriate platform to improve this coordination 3. Strengthen coordination between local governments and national government (NCCD can play a catalytic role) to ensure adequate flow of information and appropriate translation of local needs in national programmes 4. Build capacity of local governments in M&E and participatory planning, and		4. Coordination issues improved			s			

Output	Activity(ies)	Responsibility	Indicator	Baseline	Target	Source of Verification	Priority	Budget/Resources	Risks & Assumptions
	improve transparency in allocation of resources 5. Work with active semi-governmental organisations and NGOs in the fields of participatory approaches to natural resources management								
1.3 Harmonized policy making and implementation of SLM initiatives	1. Develop an SLM umbrella programme integrating related-initiatives under different sectors into one harmonized programmes, including the NAP projects 2. Undertake a cost benefit analysis of the programme 3. Devise a monitoring and evaluation programme, with clear indicators to evaluate impacts of measures	Lead: NCCD Technical Support: GM Political support: MOPIC	1- SLM is scattered in different policies without clear linkages and synergies 2- an Umbrella programme is formed 3- Programme is integrated in next executive programme	1	3	- Umbrella programme document - Executive programme 2010-2012	High	JD 300,000 Possible sources: GM (development of umbrella programme), World Bank (economic study), IFAD (M&E system)	-All stakeholders agree on approach of umbrella programme -There is an effective coordination mechanism in place

Output	Activity(ies)	Responsibility	Indicator	Baseline	Target	Source of Verification	Priority	Budget/Resources	Risks & Assumptions
	4. Include the programme under the next executive programme of 2010-2012 with clear allocations of government budgets; the programme would increase the opportunities of building partnerships with donors to complement allocated resources								
1.4 Enhanced awareness of decision-makers on importance of SLM	1- Design and prepare relevant materials to be used to key decision-makers showing linkages between SLM and economic development, as well as costs of land degradation to the country's economy 2- Organize series of awareness sessions with identified decision-makers 3- Revise materials based on feedback and review of results indicators (assessing	Lead: MOE Support: NCCD members Lobby: NGOs	1- Lower priority given to SLM activities compared to other topics 2- Increased level of priority given to SLM activities 3- Adequate level of priority provided to SLM	1	3	- Funding levels to SLM activities in executive programme 2010-2012	High	JD 200,000 Possible sources: World Bank (economic valuation), other external partners for awareness program (including SAIC, UNDP, GTZ)	- High-level materials are produced tackling decision makers - Decision-makers are willing to follow sessions

Output	Activity(ies)	Responsibility	Indicator	Baseline	Target	Source of Verification	Priority	Budget/Resources	Risks & Assumptions
	whether a shift in attitude has been achieved or not) 4- Seek support of NGOs to pressure decision-makers; involve NGOs to become active partners in the process								
Outcome 2: Enhanced mobilization and allocation of internal resources									
2.1 Enhanced capacity of stakeholders in budget preparation and implementation	1- Conduct a rapid needs assessment of personnel staff in identified institutions 2- Prepare ToRs to select a training consultant specialized in the areas of budget setting and implementation to develop training materials based on identified needs 3- Implement training sessions and monitor effectiveness of training through selected performance indicators	Lead: NCCD Support: MOE	1- Need to build capacity to develop programmes expressed by several members of NCCD 2- Only few members express need (showing increased capacity) 3- Members are able to develop implementable programmes including SLM principles	1	3	- Capacity assessments	Medium	JD 200,000 Possible sources: UNDP/other external partners	- members fully participate in programme

Output	Activity(ies)	Responsibility	Indicator	Baseline	Target	Source of Verification	Priority	Budget/Resources	Risks & Assumptions
2.2 Enhanced capacity of local authorities in raising funds for SLM	1- Devise and implement a training programme on preparation of local development plans that integrate SLM principles 2- Train municipalities on programme/project implementation to enhance utilization of funds 3- Coordinate with MOMA to ensure its awareness on importance of SLM to facilitate acceptance of requested municipal budgets	Lead: MOMA Support: MOE/NCCD members	1- Local development plans (LDP) show limited integration of SLM principles 2- LDP's integrated SLM but with limited resources to implement 3- LDP's integrated LDM and additional resources are leveraged for implementation	1	3	- LDP's - LDP resource allocation plans	Medium	JD 1,000,000 Possible sources: external partners interested in supporting LDPs and sustainable development such as GTZ, CIDA, UNDP, SIDA, AFD	- MOMA is fully supportive - Municipalities are committed to training
2.3 Increased use of local private funds for SLM	1- Survey private companies in Jordan, including commercial entities such as local banks, inquiring about CSR policies, environmental policies, and other elements which could hint towards an interest in supporting such initiatives 2- Rank the companies in order of likelihood to support SLM initiatives 3- Include these companies as a	Lead: MOE Support: NCCD members	1- Limited level of funding from private sector 2- Increased level of funding from private sector 3- Major companies in Jordan contribute to SLM/environmental activities	1	3	- updated financial flows to SLM - Survey of private companies	Medium	JD 50,000 Possible source: UNEP FI ; private sector	- private companies have in place CSR policies - private companies are cooperative

Output	Activity(ies)	Responsibility	Indicator	Baseline	Target	Source of Verification	Priority	Budget/Resources	Risks & Assumptions
	possible source of financing for SLM programmes under the umbrella programme or local development plans 4- Develop targeted materials for the private sector to understand the importance in investing in SLM-related activities and mobilize more resources								
Outcome 3: Enhanced resource mobilization from external sources									
3.1 Enhanced knowledge of local stakeholders on donors modalities, country strategies preparation, and new potential international partners	1- Develop an on-line database of external partners starting with the donor matrix prepared by the IFS team 2- Develop and organize training programs focusing on donors modalities, donor procedures to set country strategies, and new potential partners	Lead: MOPIC Support: MOE	1- Limited capacity to seek support from external sources 2- Increased capacity to seek support from external sources 3- Good capacity to seek support from external sources	1	3	- Level of usage of on-line database - updated financial flows - Number of external partners supporting umbrella programme	Medium	JD 150,000 Possible sources: GEF/IFAD MIS project – other external partners	- Donors support in preparation and updating of on-line system - Stakeholders actively engage in training - Donors participate in training
3.2 Enhanced effectiveness of government-donor coordination	1- Review internal procedures of coordination mechanism (mandates, membership, communication tools,	Lead: MOPIC Support: donors	1- Limited results following meetings 2- Tangible results are achieved following meetings 3- Increased level of support and	1	3	- Minutes of meetings - Opinion survey of members	High	JD 30,000 Possible sources: GM	- Full support of MOPIC

Output	Activity(ies)	Responsibility	Indicator	Baseline	Target	Source of Verification	Priority	Budget/Resources	Risks & Assumptions
	agenda setting, reporting back, follow-up) 2- Update procedures to enhance existing ones, focusing on developing tools to enhance effectiveness of the meetings, such as preparation of focused discussion papers, effective presentations, and follow-up and communication mechanisms 3- Establish coordination procedures between NCCD and the government-donor coordination group to ensure effective communication and integration of SLM topics in the working groups meetings agenda 4- Organize a special meeting to discuss the SLM umbrella programme discussed under outcome 1 and promote the participation of external donors in its implementation		cooperation from donors achieved						

Output	Activity(ies)	Responsibility	Indicator	Baseline	Target	Source of Verification	Priority	Budget/Resources	Risks & Assumptions
Outcome 4: Enhanced mobilization of resources from innovative resources									
4.1 Enhanced use of revolving funds	1- Review existing experiences with revolving funds in Jordan and draw lessons-learned and recommendations 2 - Based on SLM and poverty alleviation target regions, identify key areas for establishment of revolving funds 3- Establish revolving funds and monitor systems effectiveness	Lead: MOE Support: MOA Jordan River Foundation Other line ministries (MOSD, MOWT) + local communities	1- Revolving funds scatterly used for SLM purposes 2- Increased number of revolving funds used in rural areas 3- Systematic use of revolving funds where appropriate	1	3	- Number of revolving funds operational - Updated financial flows	Low	JD 5,000,000 Possible sources: internal + external partners like USAID, GTZ, UNDP	- Available sources of funds to establish revolving funds
4.2 Enhanced use of debt-swaps	1- Review existing experiences with debt-swaps in Jordan and draw lessons-learned and recommendations 2- Identify nature conservation projects which could benefit from debt-swap based on umbrella programme 3- Formulate recommendations and initiate the debt-swap process	Lead: MOPIC Support: MOF/MOE	1- Number of debt-swap used for nature conservation is low 2- Number of debt-swap used for nature conservation is increasing 3- Number of debt-swap used for nature conservation is appropriate to the need	1	3	- Debt-swapped for nature conservation (MOF records)	High	JD 50,000 (internal sources)	- Nature conservation sites are identified - MOF cooperates

Output	Activity(ies)	Responsibility	Indicator	Baseline	Target	Source of Verification	Priority	Budget/Resources	Risks & Assumptions
4.3 Promoted use of climate change mechanisms	1- Review procedures for SCCF and adaptation fund in Jordan and identify measures under SLM related programmes which can benefit from these sources 2- Conduct awareness sessions on CDM opportunities linked to SLM; main opportunities would include afforestation projects as well as water efficiency projects; support preparation of at least one CDM project under a relevant area 3- Review procedures for voluntary carbon credits and conduct awareness sessions to relevant stakeholders including MOE and MOA to benefit from such credits particularly for rangeland rehabilitation projects	Lead: MOE Support: NCCD members Relevant funding agencies (UNDP) DNA/UNFCCC focal point GM	1- Limited use of carbon financing for SLM projects 2- At least 1 project uses a UNCCD mechanism for SLM 3- At least 1 CDM project relevant to SLM 4- UNFCCC mechanisms well integrated in SLM portfolio	1	4	- Updated financial flows - CDM registry - VER's accounts	High	JD 1,000,000 Possible sources of financing: CDM project developers, UNDP, World Bank, GM's strategic programme on climate change and environmental services	- Appropriate projects that can benefit from procedures of carbon funds identified
4.4 Promoted use of Environment Compensation Fund	1- Review environmental compensation fund procedures and coordinate with environmental	Lead: MOE/NCCD Support: MOA Environment Compensation Unit	1- No funds used from compensation unit to support SLM programme 2- Increased funds used	1	3	- Budget allocation from the fund to support NCCD initiatives	High	JD 10,000 Possible sources: GM	- Relevant projects identified applicable to fund's procedures

Output	Activity(ies)	Responsibility	Indicator	Baseline	Target	Source of Verification	Priority	Budget/Resources	Risks & Assumptions
	compensation unit 2- Identify opportunities under relevant SLM programs (umbrella programme) that would be eligible for funding 3- Submit applications	NCCD members GM in-kind support	3- Appropriate level of funding secured from the fund						
4.5 Expedited establishment of environmental fund	1- Assign a follow-up focal point on the environmental fund approval process 2- Identify bottlenecks if any to its approval and propose solutions 3- Arrange for political lobby to accelerate process of approval by mobilizing NGOs	Lead: MOE Support: NGOs	1- Environmental Fund drafted but not enacted 2- Environmental Fund enacted but not operational 3- Environmental fund operational	1	3	- Official gazette - Funding levels available in the fund for use	High	JD 30,000 Possible source of funding: Mainly internal – GM support possible	- Full commitment by assigned focal point to follow-up - Adequate support form NGOs

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11 ANNEXES

All annexes are included in the attached CD:

Annex 1: Consultation Workshops Reports

Annex 2: Land Degradation in Jordan

Annex 3: NAP Priority Projects Developed by IFS Team

Annex 4: NCSA Priorities

Annex 5: Legislative Matrix

Annex 6: National and Sectoral Policies

Annex 7: Financial Flow Analysis

Annex 8: Projects Profiles Matrix

Annex 9: Public Budget Analysis

Annex 10: Donor Matrix

Annex 11: Innovative Sources of Financing

Annex 12: IFS Development Team

