



EUROPEAN  
COMMISSION

Brussels, 9.10.2014  
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**COMMISSION IMPLEMENTING DECISION**

**of 9.10.2014**

**amending Decision C(2013)4452 with a view of approving the special measure “Support to solid waste management services in Jordanian communities hosting Syrian refugees” under the Support for Partnership, Reform and Inclusive Growth (SPRING) programme 2013 and the Umbrella programme 2014 in favour of Jordan**

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action<sup>1</sup>, and in particular Article 2 thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, and in particular Article 84(2) thereof,

Whereas:

- (1) Commission Decision C(2013)4452, adopted on 18 July 2013, approved the SPRING programme 2013 for the Southern Neighbourhood region<sup>3</sup>. This Decision was financed under the European Neighbourhood and Partnership Instrument<sup>4</sup>.
- (2) The purpose of this amending Decision is to approve indirect management for the implementation of the measure “Support to solid waste management services in Jordanian communities hosting Syrian refugees” and to approve additional funding coming from the Umbrella programme 2014, financed from the European Neighbourhood Instrument<sup>5</sup>.
- (3) To facilitate the implementation of the incentive-based approach set forth in the European Neighbourhood Instrument, the Commission establishes multi-country umbrella programmes that supplement the indicative financial allocations for country programmes. In 2014, Jordan is granted EUR 15 million through this mechanism that offers incentives to countries that make progress towards deep and sustainable democracy; this allocation contributes to the funding of the present measure in favour of Jordan for an amount of EUR 4 million<sup>6</sup>.

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<sup>1</sup> OJ L 77, 15.03.2014, p.95.

<sup>2</sup> OJ L 298, 26.10.2012, p. 1.

<sup>3</sup> Amended by Decisions C(2013)8112, C(2013)9202, C(2014)2568 and C(2014)2860

<sup>4</sup> Regulation (EC) No 1638/2006 of the European Parliament and of the Council of 24 October 2006, OJ L 310, 9.11.2006, p. 1-14.

<sup>5</sup> Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument, OJ L 77, 15/03/2014, p. 27.

<sup>6</sup> The remaining EUR 11 million contributed the Annual Action Programme and Umbrella programme 2014 in favour of Jordan.

- (4) The objective of the action is to improve solid waste management services in the governorates of Irbid and Mafraq through the provision of more efficient, environmentally and socially sound waste management systems (collection, transfer and disposal).
- (5) This Decision complies with the conditions laid down in Article 94 of Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union<sup>7</sup>.
- (6) The Commission may entrust budget-implementation tasks under indirect management to the entities identified in this Decision, subject to the conclusion of a delegation agreement. However, the Gesellschaft für Internationale Zusammenarbeit (GIZ), the Kreditanstalt Für Wiederaufbau (KfW) and the United Nations Office for Project Services (UNOPS) are currently undergoing the ex-ante assessment. In anticipation of the results of this review, the responsible authorising officer deems that, based on a preliminary evaluation and on the long-standing and problem-free cooperation with them, budget-implementation tasks can be entrusted to these entities.
- (7) The maximum contribution of the European Union set by this Decision should cover any possible claims of interest due for late payment on the basis of Article 92 of the Regulation (EU, Euratom) No 966/2012 and Article 111(4) of Delegated Regulation (EU) No 1268/2012.
- (8) The Commission is required to define the term "non-substantial change" in the sense of Article 94(4) of Delegated Regulation (EU) No 1268/2012 to ensure that any such changes can be adopted by the authorising officer by delegation, or under his or her responsibility, by sub-delegation (hereinafter referred to as the 'responsible authorising officer').
- (9) The measure provided for in this Decision is in accordance with the opinion of the European Neighbourhood Instrument (ENI) Committee set up by the basic act referred to in Recital 2,

HAS DECIDED AS FOLLOWS:

#### *Article 1*

##### **Adoption of the programme**

The amendment to Decision C(2013)4452 with a view to approving the special measure under the SPRING programme 2013 and Umbrella programme 2014 in favour of Jordan referred to in the second paragraph below is hereby approved.

The measure, which is described in the attached Annex, consists of:

- Support to solid waste management services in Jordanian communities hosting Syrian refugees.

The Annex to this Decision becomes Annex 7 to Decision C(2013)4452.

#### *Article 2*

##### **Financial contribution**

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<sup>7</sup> OJ L 362, 31.12.2012, p. 1.

The maximum contribution of the European Union authorised by this Decision for the implementation of the measure in favour of Jordan is set at EUR 10 million:

- EUR 6 million to be financed from the SPRING programme 2013, and
- EUR 4 million to be financed from budget line 21 03 03 03 of the general budget of the European Union for 2014.

### *Article 3*

#### **Implementing methods**

Budget-implementation tasks under indirect management may be entrusted to the entities identified in the attached Annex, subject to conclusion of the relevant agreements.

Section 4 of the Annexes referred to in the second paragraph of Article 1 sets out the elements required by Article 94(2) of the Rules of Application.

The financial contribution referred to in Article 2 shall also cover any interest due for late payment.

### *Article 4*

#### **Non-substantial changes**

Increases or decreases of up to EUR 10 million not exceeding 20 % of the contribution referred to in the first paragraph of Article 2, or cumulated changes to the allocations of specific actions not exceeding 20 % of that contribution shall not be considered substantial, provided that they do not significantly affect the nature and objectives of the actions. The use of contingencies shall be taken into account in the ceiling referred to in this Article.

The responsible authorising officer may adopt these non-substantial changes in accordance with the principles of sound financial management and proportionality.

Done at Brussels, 9.10.2014

*For the Commission*  
*Štefan FÜLE*  
*Member of the Commission*

ANNEX

of the Commission Implementing Decision amending Decision C(2013)4452 with a view of approving the special measure “Support to solid waste management services in Jordanian communities hosting Syrian refugees” under the Support for Partnership, Reform and Inclusive Growth (SPRING) programme 2013 and the Umbrella programme 2014 in favour of Jordan

**Action Document for Support to solid waste management services in Jordanian communities hosting Syrian refugees**

**1. IDENTIFICATION**

Title/Number	Support to solid waste management in Jordanian communities hosting Syrian refugees CRIS numbers: ENPI/2013/26494 and ENI/2014/37559		
Total cost	Total estimated cost: EUR 10,000,000 Total amount of EU budget contribution: EUR 10,000,000 (EUR 6,000,000 from the SPRING Programme 2013 and EUR 4,000,000 from the Umbrella Programme 2014)		
Aid method / Management mode and type of financing	Project Approach Direct management – grants – call for proposals Indirect management with Gesellschaft für Internationale Zusammenarbeit (GIZ)		
DAC-code	14050	Sector	Waste management / disposal

**2. RATIONALE AND CONTEXT**

**2.1. Summary of the action and its objectives**

As the conflict in Syria moves towards the four-year mark there is little prospect of a political solution and Syrian refugee numbers are set to continue growing for the foreseeable future. Jordan today hosts over 585,000 refugees, of which over 55% are settled in the northern governorates of Irbid and Mafraq. Refugees are increasingly placing a considerable burden on local Jordanian host communities and their access to basic social and economic services. The overall situation of the waste management systems in the three cities of Greater Irbid, New Ramtha and Mafraq is characterised by a massively littered environment, deteriorated collection systems with damaged equipment and vehicles, a total absence of any recycling and inappropriate and dangerous waste disposal activities in landfills.

The main part of this action will be delegated to improve the waste disposal services in Irbid and Mafraq through rehabilitating existing landfill facilities, upgrading transfer capacities and strengthening Joint Services Councils administrative and

technical capacities. Part of this action will be under direct management and will aim at raising citizen's engagement and awareness on solid waste reduction and resource recovery through piloting mechanisms for services' assessment and undertaking cleaning campaigns and public awareness campaigns.

## 2.2. Context

As the conflict in Syria moves towards the four-year mark there is little prospect of a political solution and refugee numbers are set to continue growing for the foreseeable future. The cost of the crisis has exceeded all previous benchmarks and future funding is likely to be constrained requiring a new approach to collective planning. Jordan has been particularly affected and gains in social and economic development obtained in the early 2000's, after years of structural adjustment impulse by the Bretton Woods Institutions, are being eroded. The Kingdom today hosts over 585,000 Syrian refugees<sup>1</sup>, representing nearly 10% of its population, of which over 50% are under 18 years old. As of December 2013, more than 27,000 Iraqi refugees were still registered with the United Nations High Commissioner for Refugees (UNHCR).

The first Syrian arrivals settled in urban areas mainly in the north, until Zaatari camp opened in the Governorate of Mafraq in July 2012. Approximately 90,000 currently reside in this camp, and a second camp with a capacity of 30,000 has opened in Zarqa (East of Amman) with the support of the United Arab Emirates. A third camp with a planned capacity of up to 110,000 opened in April 2014 in Azraq, in the North East. Although there are no accurate figures, it is estimated that as much as 80% of refugees have settled in urban areas, whether with family relatives or in rented apartments. According to UNHCR most recent reports, 33% of refugees reside in the Governorate of Mafraq, 24% in Amman, 22% in Irbid, 9% in Zarqa and the remainder in various governorates in the middle and south of the Kingdom.

Whereas Jordan is not a signatory of the 1951 Convention relating to the Status of Refugees, UNHCR considers as favourable the protection space for refugees and asylum-seekers. Hence, in addition to its commitment not to close its borders, the Government of Jordan decided early on to allow Syrian refugees to access public services (health facilities, schools) and grant them subsidies available to Jordanians (energy, water, bread and gas). This significant and rapid increase in users has been met primarily through existing structures (e.g. double shifting in schools, access to Government-run hospitals and primary healthcare centres) but is impacting negatively services provided to Jordanians. These pressures have placed a critical pressure on social, economic, institutional and natural resources systems ability to cope and on local host communities, exacerbating existing vulnerabilities and fuelling resentment towards the Government of Jordan and Syrian refugees.

Jordan's economy and public finances are consequently severely affected. Its public and private sectors have been significantly impacted due to the integrated nature of regional trade, markets and cross-border transit routes, which have been severely disrupted. Gross domestic product (GDP) growth has been directly affected by the

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<sup>1</sup> UNHCR, 11/03/2014.

crisis, reportedly by about 2% in 2013<sup>2</sup>, depressing it downwards to 2.7% in 2012 from an average of 6.6% between 2000 and 2008. Since 2011, the government increased spending commitments and subsidies as a result of increased domestic unrest.

The budget deficit excluding grants shrank in 2013 by 9.5% compared to 2012, and by 28.3% when including grants, thereby reflecting measures undertaken by the government as part of its reform programme linked to the Stand-By Arrangement, including a decrease in subsidies and social benefits, and an increase in a number of taxes and fees. As the crisis has become protracted, the Government of Jordan, with the support of the United Nations, has embarked in 2013 on an ambitious plan to mobilise additional resources. The National Resilience Plan was developed between October 2013 and April 2014 on the basis of secondary data. Its budget for 2014-2016 is USD 4.3 billion.

In light of the continuous flow of Syrian refugees in Jordan (100,000 in October 2012; 200,000 in January 2013, 300,000 in March 2013, 400,000 in April 2013, 500,000 in August 2013, 585,000 as of March 2014), the increased resentment towards the Government of Jordan and Syrian refugees, a timely response to the increased needs on the ground is required.

Insofar, the EU has reacted mainly by increasing its support to the education sector, initially (2012) through quick intervention with the United Nations Children's Fund (UNICEF) and the United Nations Educational, Scientific and Cultural Organization (UNESCO) (EUR 19.84 million). With the upsurge of influx of refugees in 2013, EU support was stepped-up, building its response on an on-going budget support operation in the education support (EUR 30 million out of the 62 allocated in 2013); additional assistance was provided through UNICEF (EUR 4.16 million). Remaining funds were earmarked for livelihoods support, solid and waste water management.

## **2.2.1. Country context**

### **2.2.1.1. Economic and social situation and poverty analysis**

Despite many efforts to engage in economic stabilisation and liberalisation, the country faces real economic and social challenges. While the Kingdom experienced sustained growth averaging 6.5% for almost a decade between 2000 and 2009, it dipped from 5.5% in 2009 to 2.6% in 2011 following the global financial crisis. It has been on a slow progressive recovery since: GDP growth is estimated at 3% in 2012. However, attaining pre-2009 crisis levels will take a long time as GDP growth is expected to reach 'only' 4.4% in 2017. This growth rate, although favourable, is much below the demographic growth rate and is insufficient to reduce unemployment. According to the International Monetary Fund (IMF) projections, absorbing the unemployed and new entrants to the labour force would imply some 0.8 million full-time positions over the period 2010-20, requiring an annual real GDP growth of 9.3% (6 points higher than current projections over the period 2010-17).

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<sup>2</sup> Estimate of the Central Bank of Jordan. Also Reuters, "Jordan's economic growth hit by Syrian refugee burden: central bank, 29/10/2013, <http://www.reuters.com/article/2013/10/29/us-meast-investment-jordan-idUSBRE99S0PN>.

Against this backdrop, the Government of Jordan responded by expanded spending, raising public debt levels (77% of GDP at the end of 2012). The main cause of this is the continued disruption of natural gas supply from Egypt leading Jordan to import increasing amounts of crude oil for energy generation. The domestic prices of fuel and electricity were raised in June 2012 - a bold step by the Government in light of the numerous peaceful demonstrations that have been calling for political and social justice reforms since 2011 - but this will only cover part of the additional costs. At the same time, the share of domestic revenues in GDP decreased from 29.9% in 1990-1995 to 26.6% in 2005-2010. As a result, domestic revenues have failed to cover recurrent public expenditure since 1997. According to the World Bank, this decrease in domestic revenues is mainly the result of Government policy choices, in particular the 2009-2010 tax reform that reduced tax rates and increased exemption thresholds. Domestic revenues amounted to JOD 4.72 billion during 2012 compared with JOD 4.19 billion in 2011. Both the IMF and the 2013 draft General Budget aim for domestic revenues to rise to reach around JOD 5.3 billion in 2013.

The Government of Jordan consequently concluded a USD 2 billion 3-year programme with the IMF in August 2012 to provide part of the necessary liquidity to cover the immediate additional energy costs, and including reform targets aiming to bring the national electricity company back to cost recovery, as well as other cost containment measures. The cost of hosting Syrian refugees is also weighing heavily on the budget this year. There is risk that debt and the deficit could rise beyond the forecast levels. However, the substantial amounts of liquidity expected to be received by the IMF and the Gulf Cooperation Council (GCC) countries this year should offset a major impact on macroeconomic stability. Moreover, so far into 2012 the Government has demonstrated it is controlling Government expenses to mitigate their impact on public finance stability and macroeconomic stability.

In the past decades, Jordan made substantial progress in terms of human development thanks to consistent levels of spending on human development like education, health, pensions, social safety nets (more than 25% of the GDP). Its Human Development Index (HDI) value for 2011 is 0.698, above the average of other countries in the lower middle-income group. But significant regional disparities persist: the benefits of growth have been concentrated mainly in the capital and a few large cities. Urbanisation has been fast and Amman and Zarqa alone accounted for 80% of GDP in 2009. Over 38% live in the Amman governorate and benefit from the highest levels of human development (HDI 0.767) and higher average per capita income compared to the national average.

In terms of poverty reduction, the related Millennium Development Goal is considered achieved, even exceeded. However, income inequality and the widening poverty gap remain a concern (GINI increased between 2008 and 2010). The absolute poverty rate in the Kingdom stood at 14.2% in 2002 dropped to 13% in 2006, and rose to 13.3% in 2008. In 2010, it was 14.4% but due to a change in the calculation methodology, it cannot be compared with previous years. With population growth, the total number of households falling under the absolute poverty line has actually increased. Moreover, while incidence of poverty is higher in rural areas (16.8%) compared to urban areas (13.9%), there are in fact vastly greater numbers of poor in urban areas (80%) compared to rural areas (20%).



Poverty rates vary considerably among governorates, from a low 6.8% in Jerash to 26.6% in Ma'an, while the highest total numbers of poor are concentrated in the governorates of Amman (31%), Irbid (18.8%), and Zarqa (15%)<sup>3</sup>. Unemployment stagnated around 13% in recent years. Jordan's economic participation rates among the lowest globally, with only 35-40% of the population above the age of 15 economically active and one of the lowest employment-to-population ratios. Merely 14% of women participate in the labour force, in comparison to 65% of men.

#### 2.2.1.2. National development policy

The Government adopted its Executive Development Plan for the period 2013-2016, responding to urgent needs where fiscal consolidation, higher growth, and fostering equity and inclusion are key objectives of this Work Plan. The plan focuses on (i) important reforms and policies to be undertaken in the coming period; and (ii) capital investment projects and programmes.

In terms of economic reforms, the Government is committed to adopting further measures targeting the removal of structural constraints on growth, through improving the investment climate and promoting private sector investment in skill-intensive sectors where Jordan has a comparative advantage and large export potential, and removing barriers to improve access to finance for small and medium enterprises (SMEs), an important vehicle for growth and employment creation.

It shall also pursue reforms aimed at promoting employment, especially among the youth. In line with the National Employment Strategy adopted in 2012, the Government of Jordan developed the Jordan Job Compact, an initiative aiming to assist unskilled, semi-skilled and skilled youths to find jobs.

Besides, key reforms in the area of fiscal consolidation include:

- Commitment to further strengthening Jordan's fiscal position (targeting further reduction in the primary fiscal deficit by implementing measures both on the revenue and expenditure sides);
- Improving the targeting of cash transfers (application criteria will be modified to include welfare variables in addition to income; and developing a national Unified Registry for targeting of subsidies);
- Improving tax administration through the adoption of a new Income Tax Law, which once implemented will increase revenue in 2014 by about 1% of GDP;
- Tackling the losses of the water company (implement an Action Plan on how to reduce the company's losses over the medium-term);
- Implementing an increase in electricity tariffs (while protecting the poor) with the ultimate objective of bringing National Electric Power Company to cost recovery by 2017.

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<sup>3</sup>

Jordan Poverty Reduction Strategy, Government of Jordan, January 2013.

The influx of Syrian refugees exerts significant demand pressure on the country's already constrained public budgets and services, which combined with the fiscal stress compound both the country's challenging economic situation and the impact of an on-going structural adjustment programme. The direct financial impact is estimated by the Government to around USD 615 million for the past two years<sup>4</sup> chiefly weighing on the subsidy (food items) and water sectors. The crisis also indirectly affects the country in areas such as tourism, investment climate, the labour and employment market (crowding out of Jordanian workers by Syrians willing to accept lower salaries), and health with shortage of medicines, vaccines, threat of epidemics, infrastructure rehabilitation or agriculture.

Jordan relies on its international partners to achieve its development goals in particular EU, US, Japan, Germany, the World Bank and the Gulf Cooperation Council as well as new players such as the European Bank for Reconstruction and Development (EBRD) and the European Investment Bank (EIB). Latest estimates from the International Monetary Fund<sup>5</sup> point to a sizeable balance of payment need and a financing gap through 2015, owing in large part to the liquidity needs to finance more expensive energy imports. Under the assumption that budgetary grants will come in as projected (3–4% of GDP), the Fund estimates that to maintain reserves at about four months of imports, Jordan's additional external financing needs would reach USD 0.8 billion in 2012, USD 1.1 billion in 2013, USD 1.1 billion in 2014, and USD 0.9 billion in 2015. Donors are expected to cover most of the gap. These figures do not take into account the full extent of the impact on national resources of Syrian refugee inflows.

### **2.2.2. Sector context: policies and challenges**

Jordan currently generates an estimated 2 million tons of municipal solid waste (MSW), 45,000 tons of hazardous industrial waste and 4,000 tons of medical waste per year<sup>6</sup>. MSW collection coverage is estimated at 90% for urban areas and 70% for rural areas. About 50% of MSW are food waste and 35% packaging waste that is potentially available for recycling. The rate of MSW generation ranges from 0.34 to 1.07 kg / capita / day; with an average value of 0.91 Jordan ranks similarly to other developing countries but significantly less than more developed countries. The cost of environmental degradation (COED) in Jordan was estimated in 2006 in the range of JOD 143-332 million, with an average of JOD 237 million, or 2.35% of GDP. Waste management accounted for 0.23% of the GDP COED that year.

Jordan does not yet have a solid waste management (SWM) policy or legal framework. The Ministry of Environment drafted in 2010 a Waste Law, which was subjected to a national review and discussion by all stakeholders. But no information was found on the outcome of this debate. Past initiatives on solid waste management have mainly focused on the Greater Amman Municipality and the Aqaba Special

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<sup>4</sup> Minister of Planning and International Cooperation (MOPIC) Donors Briefing, 11/06/2013.

<sup>5</sup> Jordan: Request for a Stand-By Arrangement—Staff Report; Staff Supplement; Request for Modification of Performance Criteria, Country Report No. 12/343, International Monetary Fund, December 2012.

<sup>6</sup> 2012 figures. Country report on the solid waste management situation in Jordan, October 2013, for GiZ, SEEP Network.

Economic Zone. Early 2014, the Ministry of Environment and the Ministry of Municipal Affairs have embarked on the formulation of a National SWM strategy with the support of the World Bank and the Agence Française de Développement (AFD). The document is expected for the end of 2014.

If the Ministry of Environment is responsible for solid waste policy and planning, SWM is performed by the Ministry of Municipal Affairs through municipalities and Joint Services Councils (JSCs). Municipalities are responsible for day-to-day solid waste collection services within its municipal boundaries and Joint Services Councils are in charge of managing disposal sites. Informal scavenging is very limited in the country (less than 10% of solid waste collected).

Although by law 39 functions are assigned to municipalities,<sup>7</sup> in practice most services are provided by the central government or its agencies, which largely operate independently. Municipalities neither have regulatory power nor operational control over the state agencies nor service providers. They therefore provide very few services: solid waste management, street cleaning, street lighting, and operation of slaughterhouses, markets, parks and recreation facilities.

Municipalities derive their income from their own revenues, central government transfers and loans from the Cities and Villages Development Bank, a public bank under the remit of the Minister of Municipal Affairs. However, own revenue generation is very low. Taxation remains centralised, and rates and bases for all revenue sources are delineated by the central government, often combined with weak enforcement. The transfer allocation formula used to allocate central government transfers is not-only flawed<sup>8</sup>, it is unpredictable, non-transparent and does not support local accountability. Thus, despite the increasing burden on Northern municipalities, in 2013 only USD 75 million had been transferred out of the 250 million collected by the central government; in 2014 it is deemed to increase to 150 million.

Total municipalities expenditures reached 1% of GDP in recent years, the lowest level in the region (40% is observed in average in federal countries, 22% in unitary countries). Current spending as a share of municipal budgets is high – 68% on average. 45% of all municipalities are above average with some municipalities achieving shares as high as 90% and more. For this type of spending the wage bill predominates. Obviously some of the wage bill is linked to municipal services, but analysis points to significant overstaffing. As a result, debt service as a share of municipal budgets is skyrocketing. On average it was 26% in 2009 (most countries would consider 20% an absolute limit). Two thirds of all municipalities are above a

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<sup>7</sup> The analysis below does not apply to Greater Amman Municipality; nor the Aqaba and Petra Special Economic Zones.

<sup>8</sup> The allocation of resources through the Cities and Villages Development Bank (CVDB), a public bank whose Director reports directly to the Minister of Municipal Affairs, has little to do with efficiency: the allocation formula for budget support exhibits flaws. Just to stress the two major points: The most important criterion (apart from population and area size) is annual spending per capita, which is rewarded through the formula. This encourages spendthrift. (A correct measure would be based on a standardised value for spending.) Moreover the weight given to incentivise own revenue collection is too small (2%).

reasonable international benchmark of 15%. Ten municipalities have a totally unsustainable share of debt service above 50% of their budget.

Joint Services Councils were initially set up for economies of scale for larger service activities; this included slaughterhouses; waste management (liquid and solid); construction of buildings and schools; construction of police, health and social centres; and construction of cemeteries. However, in 2009 decision was taken that their mandate be restricted to the establishment and management of landfills.

Sanitary land filling of municipal solid waste has evolved over the past 15 years. Many of the final disposal sites (FDS) still practice improper methods for the disposal of solid wastes and lack engineering input in design and operation. These practices vary from site to site in their sophistication and environmental soundness. Currently, there are 17 authorised FDS in the country, 4 in the northern region, 4 in the middle region, and nine 9 in the southern region. About half of them adopt open dumping as a disposal method. Even in sites that adopt landfilling, disposal practices are often inadequate in terms of the environment and work safety. The disposal of special and hazardous waste (including industrial wastewater, farm waste, and hospital and medical waste) in ordinary landfills is not uncommon.

The absence of a National SWM strategy and relevant regulatory framework is perceived to be the major obstacle to the development of an effective SWM sector in Jordan. This situation has prevented the establishment of properly organised, regulated and cost-effective waste management service and acts as a major disincentive to the involvement of the private sector in the development of an integrated SWM industry. At municipal level, financial constraints, shortage of adequate and proper equipment, absence of standard operation and maintenance procedures, absence of reliable electronic data provision on solid waste collection and disposal and professional analysis of those data have much contributed to the poor state of SWM in the country. Low level of awareness and education in the communities regarding health and environmental impacts of improper SWM has also made it difficult to implement recycling and disposal programmes.

As of May 2014, 596,062 Syrian refugees have been registered with UNHCR. Over 75% of them live outside camps and 88% in four governorates, i.e. 29% in Mafraq, 27% in Amman, 23% in Irbid and 9% in Zarqa – the remainder behind scattered in the rest of the Kingdom. In the governorate of Irbid, Syrian refugees represent 10% of the population; in Mafraq, 32%. Irbid Governorate, which is constituted of 18 municipalities, lies next to the Syrian border and Israel. With a population of 622,000 inhabitants, of which 92,000 refugees, Greater Irbid Municipality is the third largest town after Amman. Half of the population live in the main metropolitan area of Irbid. Mafraq lies next to the Syrian border and Iraq. The governorate has 18 municipalities and a very low population density. Mafraq Greater Municipality has seen its population doubled with 90,000 refugees settled in Zaatari camp. Across the two governorates, population increases in the 36 municipalities range from 4 to 100% in Mafraq, and from 3 to 57% in Irbid.

As concluded by multi-disciplinary experts' assessment commissioned by the EU Delegation early 2014, solid waste management services in the governorates of Mafraq and Irbid have been severely affected. The services are no longer of the same standard as prior to the influx of refugees. The overall situation of the waste

management systems in the three cities covered under this assessment (Irbid, Ramtha and Mafraq) is characterised by a massively littered environment, deteriorated collection systems with damaged equipment and vehicles, a total absence of any recycling and inappropriate and dangerous waste disposal activities in the main landfill of Al Ekedeer. The entire waste management activities aims at organising the logistic of services, but do not at all address the lack in public awareness and sensitivity of residents towards a clean environment and appropriate habits. The assessment has been undertaken in full cooperation with the centralised and decentralised services of the Ministry of Municipal Affairs. A technical debriefing was also organised with the mayors of the three cities as well as with key donors.

### **2.3. Lessons learnt**

In crisis situations, tangible and quick results are critical for building confidence in national institutions. Firstly, they provide solid evidence that the Government is responding to the needs of its citizens. Secondly, they demonstrate its ability to deliver on its promises. Most of the programmes responding to the Syrian crisis target refugee communities and are mostly implemented by United Nation agencies and International NGOs. Recent assessments show that this has led to rising resentment among host communities.

Experience and study of solid waste collection programmes in various low-income and middle-income countries have identified a set of design parameters and common pitfalls to meet operational requirements and avoid common problems. Successful programmes (i) apply an integrated holistic approach that takes into account key factors affecting waste generation, storage, and final disposition; (ii) secure or establish stable financing and ensure funds are used appropriately; (iii) carefully design, develop and implement privatisation schemes after weighing the potential costs and benefits; (iv) involve the community in waste-management decision making; and (v) build capacity of administrative and technical staff in government, NGOs and/or the private sector.

### **2.4. Complementary actions**

The United States Agency for International Development Community Engagement Project (USAID CEP) is a three-year, USD 21 million project that started in 2013 and aims at building community cohesion and enhancing the resilience of communities to more effectively address evolving challenges. In addition to community members, USAID CEP works with Jordanian NGOs, community-based organisations, municipalities and the private sector. Supply of SW equipment is foreseen for a number of municipalities in the governorates of Irbid and Mafraq.

World Bank Emergency Services and Social Resilience Program (ESSRP) is a three-year USD 53 million multi-donors trust fund that started in 2013, with grants provided by the World Bank, UK, Canada, Switzerland and the Government of Jordan. ESSRP aims at assisting municipalities in Irbid and Mafraq addressing the immediate service delivery impacts of Syrian refugees' inflows and strengthen their capacity to support local economic development. The programme consists of two components: (i) municipal grants; and (ii) institutional development and project management. Grants will mainly enable municipalities (currently 9) to finance additional public services that are directly within the municipal competence (e.g., solid waste management, rehabilitation of roads, street lighting, pest control,

recreational facilities, local economic development and livelihoods, etc.), as well as certain services that can be contracted out by municipalities to other service providers (e.g., water, wastewater, sanitation, etc.).

The United Nations Development Programme (UNDP) “Mitigating the Impact of the Syrian Refugee Crisis” is an 18-month intervention that started operating early 2013 with seed funding from the Government of Japan, Switzerland, UN Women and International Labour Organization (ILO). The immediate objective of this programme is to respond to urgent needs of crisis-affected people in a timely and efficient manner, with emphasis on Jordanians in host communities, to increase their absorption capacity and mitigate any possible tensions between Syrian refugees and host communities. On the one hand the programme will invest in interventions for rapid employment creation and support to basic social services, that are geared towards sustaining stability, in particular in the Northern governorates – Pillar I.; on the other hand, the programme will strive to translate this into longer-term gains and durable solutions to contribute to some of the issues addressed in national development plans and strategies, in particular with regard to sustainable employment creation, enhanced capacity for service delivery and local economic development – Pillar II. Supply of SW equipment is foreseen for a number of municipalities in the governorates of Irbid and Mafraq.

Japan recently granted USD10 million to the Government of Jordan to purchase equipment and machinery for the municipal sector. GIZ, with a contribution from Germany, will pilot a mobile workshop to train municipalities' staff on operation and maintenance.

## **2.5. Donor coordination**

With the increasing number of funding pledges for support Jordanian communities in the North, the UN Resident and Humanitarian Coordinator (UN RC/HC) supported the Ministry of Planning and International Cooperation to establish in September 2013 the so called " Host Community Support Platform" that gathers under Government's leadership, relevant UN agencies and donors to (i) provide strategic guidance to the elaboration of a Government-led National Resilience Plan; (ii) mobilise donors and partners for effective implementation of the plan through technical and financial resource mobilisation (ii) coordinate efforts to contribute to the Plan's execution (see 2.2).

Within this framework, Five Sector Task Forces (education, health, water and sanitation, municipal services, employment and livelihoods), composed of a lead ministry, a lead donor and a lead UN agency, have also been established to inform decision-making. In the area of municipal services, UNDP is co-leading with the World Bank. The Host Community Support Platform is currently being evaluated.

In the meantime, following a surge of donors' pledges in solid waste management and given the limited outputs of UNDP, the EU Delegation has taken the lead early 2014 to step-up coordination in the area of solid waste management between relevant line ministries and like-minded donors. An agreement in principle has been reached with the Ministry of Planning and International Cooperation to set an aid policy group and a technical group to ensure harmonisation of operations targeting governorates hosting refugees but also alignment of development assistance with the forthcoming National SWM Strategy. AFD and KfW agreed to co-finance with the

EU the facilitation of this process until the end of 2014. Coordination with the Horizon 2020 Initiative to de-pollute the Mediterranean Sea will also be ensured since it targets solid waste management (including capacity building) and the upgrade of El Ekedeer is one of the H2020 priority projects.

The EU Delegation also chairs with ECHO Regional Support Office monthly EU co-ordination meetings on development and humanitarian affairs.

### **3. DETAILED DESCRIPTION**

#### **3.1. Objectives**

The overall objectives of the action is to improve solid waste management services in the governorates of Irbid and Mafraq through the provision of more efficient, environmentally and socially sound waste management systems (collection, transfer and disposal).

#### **3.2. Expected results and main activities**

The action's expected results framework is as follows:

Expected result 1: *To improve organisation and functioning of solid waste management services in the municipalities of Greater Irbid, New Ramtha and Mafraq through providing solid waste collection equipment and strengthening municipalities' administrative and technical capacities*

Under this component, the following activities will be implemented in the three municipalities:

- i. provision of containers and small equipment in line with the local solid waste management plan;
- ii. technical assistance to the solid waste technical department of the participating municipalities. The training would include administration, cost-accounting, finance, technical aspects, planning, supervision of field operations, and maintenance to improve the quality of the services in a cost-effective way. It would also include training on participatory techniques to promote public stakeholders and to develop understanding for support of the solid waste collection services;
- iii. technical assistance to local council members on policy and operational aspects of solid waste management and giving support to the technical department in the provision of the services. Particular attention would be given to cost-efficiency and cost recovery aspects of such services;
- iv. provision of key administrative equipment including desk computers and GPS devices to facilitate the application of the new skills.

Expected result 2: *To improve the waste disposal services in the governorates of Irbid and Mafraq through rehabilitating existing landfill facilities, upgrading transfer capacities and strengthening Joint Services Councils (JSC) administrative and technical capacities*

Under this component, the following activities will be implemented in the two governorates:

- i. rehabilitation of sanitary landfills: amongst the 8 landfills prioritised by the Government of Jordan in the governorates of Irbid and Mafraq, two will be rehabilitated, i.e. Husinat and Ekedeer. Rehabilitation of Ekedeer shall however be subject to a positive appraisal given the scale of the intervention<sup>9</sup>;
- ii. supply and installation of equipment for transfer stations and landfill;
- iii. technical assistance to the JSCs' staff on the operation and maintenance (O&M) of sanitary landfills and transfer stations, as well as the management of the primary collection system under the JSC's responsibility to enhance sustainability. Training will also include social and environmental safeguards as well as public relations and awareness;
- iv. technical assistance JSC Council would focus on overall management, social and environmental safeguards, and policy development to guide financial sustainability through cost-recovery.

*Expected result 3: To raise citizen's engagement and awareness on solid waste reduction and resource recovery through piloting mechanisms for services' assessment and undertaking cleaning campaigns and public awareness campaigns*

Under this component, the following activities will be implemented in the two governorates, in each municipality and in the vicinity of each landfill: workshops, training, public awareness campaigns (including production of documents for public information and dissemination through various media as required), and citizen feedback system using internet and communication technologies (ICT).

### **3.3. Risks and assumptions**

As acknowledged in the National Resilience Plan (see 2.2), the municipal sector face serious constraints with respect to financing. In light of the fiscal constraints that Jordan faces and the central government's inability to increase its annual budget transfers to municipalities, there is a risk that the municipalities will not be able to allocate sufficient resources for the operation and maintenance of solid waste collection equipment. Strengthening the administrative and technical capacities of municipalities and Joint Services Council will be a first step to mitigate this risk. Further incentives may be considered within the framework of the Good Governance Development Contract. It is also foreseen that structural shortcomings will be addressed by the forthcoming National Solid Waste Management Strategy.

The second main risk relate to the implementation of the cities' solid waste management plan. As demonstrated in the EU assessment, a number of recommendations will require for municipalities changes in current practices and the redistribution of human resources that are likely to face resistance. It will be particularly important to develop a stepwise approach, including in a first stage outreach to decision-makers and staff.

<sup>9</sup>

A feasibility assessment was undertaken for Ekeeder in 2012 by the European Union, AFD and the EIB as part of the Horizon 2020 – Mediterranean Hot Spot Investment Programme. According to AFD, this assessment shall be refined.



It is assumed that the local solid waste management plans developed by the EU assessment will be refined and approved by each municipality and their respective local council.

### **3.4. Cross-cutting issues**

Good governance principles, the use of local systems and empowerment of local stakeholders are embedded in the design of the activities. Environmental sustainability and protection are the main objectives of the project together with health risk mitigation, as the project is specifically aiming at reducing environmental pollution and mitigating risks of potential surface and groundwater contamination; health and physical threats to sanitation workers and waste pickers; methane emissions. A proper appraisal of women's role is particularly relevant for the third expected result; given the nature of the operation, this dimension will be highlighted as critical in the guidelines for the call for proposals.

### **3.5. Stakeholders**

The Ministry of Municipal Affairs (MoMA) through its central services and its Joint Services Council in Irbid and Mafraq will be responsible for the implementation of the proposed measures for waste transfer and disposal. The municipalities of Greater Irbid, New Ramtha and Mafraq will be responsible for the implementation of the proposed measures for waste collection.

The project will benefit 960,000 residents of the three aforementioned municipalities through the construction of a sanitary landfill and related transfer stations, and provision of improved primary collection to ensure the effective sanitary disposal of solid waste. The project is expected to provide benefits to public health, especially for residents living near existing landfill sites, as well as sanitation workers and waste pickers.

## **4. IMPLEMENTATION ISSUES**

### **4.1. Financing agreement**

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

### **4.2. Indicative operational implementation period**

The indicative operational implementation period of this action, during which the activities described in sections 3.2. and 4.3. will be carried out, is 48 months from the date of entry into force of the financing agreement, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements. The European Parliament and the relevant Committee shall be informed of the extension of the operational implementation period within one month of that extension being granted.

### 4.3. Implementation components and modules

#### 4.3.1. *Grants: call for proposal Citizens' Engagement and Awareness for Solid Waste Reduction in Irbid and Mafraq (direct management)*

(a) *Objectives of the grants, fields of intervention, priorities of the year and expected results*

To raise citizen's engagement and awareness on solid waste reduction and resource recovery through piloting mechanisms for services' assessment and undertaking cleaning campaigns and public awareness campaigns.

(b) *Eligibility conditions*

In order to be eligible for a grant, the applicants must be legal persons as well as:

- be a Jordanian or European Non-Governmental Organisation or commercial entity:
  - (i) in the case of a Jordanian NGO or commercial entity, be constituted in accordance with the legislation in force in Jordan for at least two years at the time of the submission of an application and registered with the Ministry of Interior, Ministry of Social Affairs or Ministry of Industry<sup>10</sup>;
  - (ii) in the case of an NGO or a commercial entity from a Member State of the European Union, be registered in Jordan for at least two years at the time of the submission of the application;
- be established<sup>11</sup> in a Member State of the European Union or in Jordan. This obligation does not apply to international organisations.

(c) *Essential selection and award criteria*

The essential selection criteria are financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(d) *Maximum rate of co-financing*

The maximum possible rate of co-financing for grants under this call is 80%. The maximum possible rate of co-financing may be up to 100% in accordance with Articles 192 of Regulation (EU, Euratom) No 966/2012 if full funding is essential for the action to be carried out. The essentiality of full funding will be justified by the

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<sup>10</sup> Municipalities are not eligible but must be co-applicants.

<sup>11</sup> To be determined on the basis of the organisation's statutes which should demonstrate that it has been established by an instrument governed by the law of the country concerned and that its head office is located in an eligible country. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible organisation, even if the statutes are registered locally or a "Memorandum of Understanding" has been concluded.

responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management.

(e) *Indicative trimester to launch the call*

4th trimester of 2015.

(f) *Exception to the non-retroactivity of costs*

The Commission does not authorise the eligibility of costs prior to the submission of the grant application.

#### **4.3.2. Indirect management**

A part of this action with the objective of improving the waste disposal services in the governorates of Irbid and Mafraq through rehabilitating existing landfill facilities may be implemented in indirect management with **Gesellschaft für Internationale Zusammenarbeit (GiZ)** in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. This implementation is justified because GiZ has a substantial and relevant proven track-record of project implementation in Jordan (i) GiZ is a lead implementing agency in the area of water infrastructure (ii) is currently implementing a pilot operation in solid waste management in the governorates under consideration (iii) is assisting the Regional Solid Waste Exchange of Information and Expertise Network in Maghreb and Mashreq Countries (SWEEP-NET), hosted by the Government of Tunisia.

The entrusted entity would be responsible for the provision of technical assistance to municipalities and Joint Services Councils and the award of procurement contracts – services, supplies and works.

If negotiations with the above-mentioned entrusted entity fail, a part of this action may be implemented in indirect management with:

- the **Kreditanstalt Für Wiederaufbau (KfW)**. This implementation would be justified because KfW has a substantial and relevant proven track-record of project implementation in Jordan (i) KfW is a lead implementing agency in the area of water and wastewater infrastructure (ii) KfW is likely to implement a solid waste management operation for the benefit of the Greater Amman Municipality.

The alternative entrusted entity would be responsible for the provision of technical assistance to municipalities and Joint Services Councils and the award of procurement contracts – services, supplies and works.

The entrusted entity is currently undergoing the ex ante assessment in accordance with Article 61(1) of Regulation (EU, Euratom) No 966/2012. In anticipation of the results of this review, the responsible authorising officer deems that, based on a preliminary evaluation and on the long-standing and problem-free cooperation with this entity, it can be entrusted with budget-implementation tasks under indirect management.

#### 4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act shall apply.

The responsible authorising officer may extend the geographical eligibility in accordance with Article 9(2)(b) of Regulation (EU) 236/2014 of 11 March 2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

#### 4.5. Indicative budget

<b>Module</b>	<b>Amount in EUR</b>	<b>Third party contribution</b> (indicative, where known)
4.3.2. Expected Result 1 and 2: Indirect – management with GiZ	9,350,000	
4.3.1. Expected Result 3: Call for proposals (direct management)	500,000	
Mid-term review, evaluation and audit	150,000	N.A.
<b>Totals</b>	<b>10,000,000</b>	<b>0</b>

#### 4.6. Performance monitoring

Once a year, in line with its own procedures and systems, the EU will be invited to joint monitoring missions by GiZ to monitor the progress of the operation. The results of this mission will be summarised by GiZ and submitted to the EU, latest as part of the following annual report (or final report). GiZ will systematically inform and invite the EU to participate to all the meetings and/or site visits held between the GiZ and major project stakeholders on the preparation, implementation and evaluation of this action.

#### 4.7. Evaluation and audit

External mid-term and final evaluations, covering all the activities of the action, will be carried out in accordance with European Commission procedures. When necessary, external mid-term, final or ex-post evaluation of projects component and/or global evaluation of the whole action will be conducted in accordance with European Commission procedures. When necessary, external audits/ verification missions will be undertaken by the EU.

#### 4.8. Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU. This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action,

to be elaborated before the start of implementation and supported with the budget indicated in section 4.5 above. The measures shall be implemented either (a) by the Commission, and/or (b) by the partner country, contractors, grant beneficiaries and entrusted entities. Appropriate contractual obligations shall be included in, respectively, financing agreements, procurement and grant contracts, and delegation agreements.

A communication strategy and specific activities will be developed and implemented by the GiZ in accordance with the “Communication and visibility manual for EU external actions<sup>12</sup>”. Depending on the evolution of the situation in the ground, visibility activities might need to be scaled down in order to allow a successful implementation of the project activities. The EU may check the visibility component of the actions through field visits and will increase visibility when it is appropriate.

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<sup>12</sup>

[http://ec.europa.eu/europeaid/work/visibility/index\\_en.htm](http://ec.europa.eu/europeaid/work/visibility/index_en.htm).