



Brussels, 6.12.2018  
C(2018) 8530 final

**COMMISSION IMPLEMENTING DECISION**

**of 6.12.2018**

**on the annual action programme (Part 2)<sup>1</sup> in favour of the Hashemite Kingdom of Jordan for 2018**

---

<sup>1</sup> The annual action programme in favour of the Hashemite Kingdom of Jordan for 2018 (Part 1) ref. C(2017)8533 was adopted on 8.12.2017.

## COMMISSION IMPLEMENTING DECISION

of 6.12.2018

### on the annual action programme (Part 2)<sup>1</sup> in favour of the Hashemite Kingdom of Jordan for 2018

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, and in particular Article 110 thereof,

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>2</sup>, and in particular Article 2(1) thereof,

Whereas:

- (1) In order to ensure the implementation of the annual action programme (Part 2) in favour of the Hashemite Kingdom of Jordan for 2018, it is necessary to adopt an annual financing Decision, which constitutes the annual work programme for 2018. Article 110 of Regulation (EU, Euratom) 2018/1046 establishes detailed rules on financing Decisions.
- (2) The envisaged assistance is deemed to follow the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU<sup>3</sup>.
- (3) The Commission has adopted the Single Support Framework for the period 2017-2020<sup>4</sup>, which prioritises support to Jordan's social and economic development, to the strengthening of the rule of law, and to the upgrading of border management and the prevention of violent extremism.
- (4) The objectives pursued by the annual action programme (part 2) in favour of the Hashemite Kingdom of Jordan for 2018 to be financed under the European Neighbourhood Instrument<sup>5</sup> are to promote and support private sector-led innovation as a mean for inclusive economic growth and job creation, and to support Jordan efforts to control and manage its borders and ensure greater security for citizens and visitors, while guaranteeing the respect for the rule of law.

---

<sup>1</sup> The annual action programme in favour of the Hashemite Kingdom of Jordan for 2018 (Part 1) ref. C(2017)8533 was adopted on 8.12.2017.

<sup>2</sup> OJ L 77, 15.3.2014, p. 95.

<sup>3</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu) Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

<sup>4</sup> Commission Decision on the adoption of a single support Framework for EU support to Jordan decision for the period 2017-2020. Decision C(2017)7350 adopted on 9.11.2017.

<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, 15.3.2014, p. 27).

- (5) The action entitled 'Innovation for enterprise growth and jobs' contains support measures to contribute to positioning private sector innovation as one of the main driver of inclusive economic development and to promoting systematic change and coherence in the enterprise and innovation ecosystem in Jordan. It will be implemented through grants in direct management.
- (6) The action entitled 'EU support to Integrated Border Management in Jordan' will contribute to the development of the long-term capability of Jordan to better control and manage its borders, fight transnational crime and facilitate trade. It will be implemented through indirect management with the International Centre for Migration Policy Development and the United Nations Office on Drugs and Crime.
- (7) Pursuant to Article 4(7) of Regulation (EU) No 236/2014, indirect management is to be used for the implementation of the programme.
- (8) Entities and persons entrusted with the implementation of Union funds by indirect management shall ensure a level of protection of the financial interests of the Union as referred to in Article 154(3) of Regulation (EU) 2018/1046
- (9) To this end, such entities and persons are to be subject to an assessment of their systems and procedures in accordance with Article 154(4) of Regulation (EU, Euratom) 2018/1046.
- (10) It is necessary to allow for the payment of interest due for late payment on the basis of Article 116(5) of Regulation (EU, Euratom) 2018/1046.
- (11) The actions provided for in this Decision are in accordance with the opinion of the European Neighbourhood Instrument Committee established under Article 15 of European Neighbourhood Instrument.

HAS DECIDED AS FOLLOWS:

*Article 1*  
*The programme*

The Annual Action Programme (part 2) in favour of the Hashemite Kingdom of Jordan for 2018, as set out in the Annexes, is adopted.

The programme shall include the following actions:

- (a) Annex I: Innovation for enterprise growth and jobs;
- (b) Annex II: EU support to Integrated Border Management in Jordan;

*Article 2*  
*Union contribution*

The maximum Union contribution for the implementation of the Annual Action Programme in favour of the Hashemite Kingdom of Jordan for 2018 is set at EUR 31,000,000 and shall be financed from appropriations entered in the following lines of the the general budget of the Union:

- EUR 15,000,000 from budget line 22 04 01 02,
- EUR 5,000,000 from budget line 22 04 03 03
- EUR 11,000,000 from budget line 22 04 01 03.

The appropriations provided for in the first paragraph may also cover interest due for late payment.

*Article 3*

*Methods of implementation and entrusted entities or persons*

The implementation of the actions carried out by way of indirect management, as set out in the Annex 2, may be entrusted to the entities or persons referred to or selected in accordance with the criteria laid down in points 5.3.2 and 5.3.3 of the Annex 2.

*Article 4*

*Flexibility clause*

Increases or decreases of up to EUR 10 million not exceeding 20% of the contribution set in the first paragraph of Article 2, or cumulated changes to the allocations of specific actions not exceeding 20% of that contribution, as well as extensions of the implementation period shall not be considered substantial within the meaning of Article 110(5) of Regulation (EU, Euratom) 2018/1046, where these changes do not significantly affect the nature and objectives of the actions. The use of contingencies shall be taken into account in the ceiling set by this Article.

The authorising officer responsible may apply the changes referred to in the first paragraph. Those changes shall be applied in accordance with the principles of sound financial management and proportionality.

Done at Brussels, 6.12.2018

*For the Commission*

*Johannes Hahn*

*Member of the Commission*



**ANNEX 1**

of the Commission Implementing Decision on the annual action programme (Part 2)<sup>1</sup> in favour of the Hashemite Kingdom of Jordan for 2018

**Action Document for  
Innovation for Enterprise Growth and Jobs**

**INFORMATION FOR POTENTIAL GRANT APPLICANTS**  
**WORK PROGRAMME FOR GRANTS**

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation and action programme in the sense of Articles 2 and 3 of Regulation N° 236/2014.

<b>1. Title/basic act/ CRIS number</b>	<b>Innovation for Enterprise Growth and Jobs</b> CRIS number: ENI/2018/041-432 financed under European Neighbourhood Instrument			
<b>2. Zone benefiting from the action/location</b>	The Hashemite Kingdom of Jordan The action shall be carried out at the following location: Jordan			
<b>3. Programming document</b>	Single Support Framework (SSF) for EU support to Jordan 2017-2020			
<b>4. Sector of concentration/ thematic area</b>	Sector 1: Enhancing Jordan's social and economic development	DEV. Aid: YES		
<b>5. Amounts concerned</b>	Total estimated Cost: EUR 22 million Total amount of EU budget contribution EUR 20 million.			
<b>6. Aid modality(ies) and implementation modality(ies)</b>	Project Modality Direct management: grants – call for proposal, procurement of services			
<b>7 a) DAC code(s)</b>	32130 - Small and medium-sized enterprises (SME) development			
<b>b) Main Delivery Channel</b>	50000 - OTHER			
<b>8. Markers (from</b>	<b>General policy objective</b>	<b>Not</b>	<b>Significant</b>	<b>Main</b>

<sup>1</sup> The annual action programme in favour of the Hashemite Kingdom of Jordan for 2018 (Part 1) ref. C(2017)8533 was adopted on 8.12.2017

CRIS DAC form)		targeted	objective	objective
	Participation development/good governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality (including Women In Development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade Development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>9. Global Public Goods and Challenges (GPGC) thematic flagships</b>	N.A.			
<b>10. Sustainable Development Goals (SDGs)</b>	<b>SDG 8:</b> Promote inclusive and sustainable economic growth, employment and decent work for all. <b>SDG 9:</b> Build resilient infrastructure, promote sustainable industrialisation and foster innovation. Secondary <b>SDG 5:</b> Achieve gender equality and empower all women and girls.			

## SUMMARY

The overall objective is to contribute to positioning **private sector innovation** as the main driver of inclusive economic development and promoting systematic change and coherence in the enterprise and innovation ecosystem in Jordan.

The **specific objectives** (SOs) are to pilot private sector led innovation initiatives to

- SO1: enhance the **potential** of innovative Jordanian, high-growth opportunity enterprises, to **scale** and contribute to the economic growth that will generate direct and indirect jobs;
- SO2: increase **access** of Jordanian Small and Medium Enterprises (SMEs), entrepreneurs and innovators, in specific high-growth potential sectors and clusters, to innovation inputs (technology transfer, knowledge, learning) and financing;
- SO3: promote and strengthen the **culture** of innovation & entrepreneurship in the Jordanian ecosystem.

The **key expected results**(R)are:

- R1 Improved **scalability** of high potential enterprises;
- R2: Improved **access** to quality innovation support infrastructure, facilities, financing and

services;

- **R3: Innovation and entrepreneurial culture** is promoted, through pilot initiatives and communication actions, supporting the open innovation lifecycle from ideation to international growth exploitation.

## 1 CONTEXT

### 1.1 Sector/Country/Regional context/Thematic area

The country analysis carried out during the programming of the Single Support Framework (SSF) 2017-2020<sup>2</sup> remains valid. Jordan continues to face significant economic challenges due to poor competitiveness of enterprises, regional instability, resulting in persistent high unemployment, a dependency on grants and remittances and constant pressure on natural resources. According to the latest available data<sup>3</sup>, economic growth continues to decline. Given its demographic profile, Jordan's main challenge remains the need to address high unemployment, which has been exacerbated by the large influx of Syrian refugees. In view of this performance, the World Bank reclassified Jordan as a lower-middle-income country in 2017.

In 2017, the unemployment rate exceeds 18.5%<sup>4</sup>. Female unemployment stand at 27.5% and youth unemployment rate is particularly high, reaching 45.4% for 15-19 year olds and 36.4% for 20-24 year olds. The participation rate of women is only 13% (despite women representing 50% of the university population). This shows acute gender and youth marginalisation in the labour market.

Jordan's one major resource is its human capital, in the form of a well-educated, potentially untapped workforce. Human capital developed by investment in education and training, rather than physical capital predicated on equipment and processes, is a fundamental ingredient of innovation. In Jordan, education is built more on knowledge acquisition than critical thinking and there is an acute skills mismatch with the needs of employers, which is contributing to unemployment and poor enterprise productivity.

Jordan's ranking on the international competitiveness, entrepreneurship and innovation indices has either been stagnant or has diminished in recent years. The 2017 Global Innovation Index ranks Jordan 83/127 (one of the lowest regional rankings) while on the 2017-2018 Global Competitiveness Index Jordan has stagnated with almost the same score since 2012. The 2016 Global Entrepreneurship Index (GEI) ranks Jordan 64/132 and 10<sup>th</sup> in the Middle East and North Africa (MENA), reveals that Jordan falls significantly below world average in terms of Risk Acceptance and Risk Capital and ranks Jordan low in technology absorption and globalisation. Against these challenges Jordan will fall short of achieving the ambitious targets for 2025 of i) 7.5% Gross Domestic Product (GDP) growth (which is needed to create around 57,000 jobs on average per year); and ii) an increase in female labour force participation to 27%.

For Jordan, future economic growth and employment will depend on the creation of an environment which enables, stimulates and supports innovation throughout the value system

---

<sup>2</sup> Commission Decision on the adoption of a single support Framework for EU support to Jordan decision for the period 2017-2020. Decision C(2017)7350 adopted on 9.11.2017.

<sup>3</sup> IMF Country Report No. 17/231\_ July 2017.

<sup>4</sup> Source: Jordan Department of Statistics, February 2018.



in order to i) improve competitiveness; ii) add value to the local economy; and iii) generate wealth and job creation.

### **1.1.1 Public Policy Assessment and EU Policy Framework**

Jordan has **ambitious policy** aspirations, which are well considered and elaborated, but weakly implemented. There is a lack of clear, actionable and accountable planning of policy implementation. Policy, often developed with donor assistance, suffers from a dearth of commitment and/or ownership among stakeholders as well as from shortage of appropriate budgetary allocation.

The Government's main guiding policy agenda is titled "**Jordan 2025 – A National Vision and Strategy**" and aims at "*improving the welfare of citizens and the basic services [provided] to them [and] creating a balanced society where opportunities are available to all and the gap between governorates is bridged*". This is complemented by the Jordan Economic Growth Plan 2018-2022 and the Executive Development Programmes, which represent the 2025 policy tools. While these policy documents do not employ an innovation-based economic growth approach, they elaborate numerous innovation-related targets and initiatives that are covered by the Business and Citizen Pillars.

In addition to Jordan 2025 there are several other related strategies, including the **National Employment Strategy** 2011-2020, which envisages that by 2020 the objective of *restructuring the economy toward a knowledge-based economy* should start to show results in terms of higher demand for an educated and skilled Jordanian labour force. The proposed actions assume that the increased competitiveness and growth of sectors of potential will lead to increased demand for skilled human capital. Jordan also has a **Human Resource Development Strategy** for 2016-2025 whose targets are, among others, to increase the number of youth and adults that have relevant technical and vocational skills for employment, decent jobs and entrepreneurship.

Two **national innovation strategies** existed for the period 2013-2017 under the Higher Council for Science and Technology (HCST). Despite both strategies having ended in 2017 hardly any of the policies were implemented. Both strategies will be reviewed by the HCST and replaced by 'Jordan Innovation 2025 strategy' pending the establishment of a **National Centre for Innovation** (NCI), set up under the umbrella of HCST with support from the European Bank for Reconstruction and Development (EBRD) under the MENA Transition Fund. The NCI is to become the main implementation driver of the national innovation strategies and domestic and international collaboration.

The **EU Single Support Framework** programming document for Jordan 2017-2020 is aligned and consistent with the Jordan 2025 and other related national strategies and policies.

This is similarly in line with the Revised European Neighbourhood Policy<sup>5</sup> (ENP) and the EU-Jordan Partnership Priorities for 2016-2018<sup>6</sup>. Both the Government of Jordan and the EU assign priority to sustaining Jordan's macro-economic stability and enhancing the country's social and economic development, where economic modernisation and diversification will be further enhanced by the provision of support to innovation-driven growth and knowledge sharing. In the same context, cooperation will intensify on improving employability, skills development and related educational reform in order to promote the role of youth in both the economy and society.

### **1.1.2 Stakeholder analysis**

Essentially, there is a myriad of stakeholders but **poor coordination**. Numerous public, private and not-for-profit stakeholders, as well as donors, are active in supporting entrepreneurship and/or innovation in Jordan. This is applicable to all levels of support from basic research and development (R&D) to its commercialisation as innovation. The overarching problem is one of **operational silos**, in which organisations neither communicate nor collaborate, causing poor co-ordination between institutional stakeholders (including donors and financial institutions) and the private sector. Similarly, the private sector values neither co-operation or open innovation and planned cluster or linkage initiatives are thus very difficult to implement. The Jordanian innovation institutional framework is fragmented and still incomplete with poor experience and limited skills resources. There is a need to establish systematic coherence and co-ordination that builds the players into co-ordinated, multi-layered networks capable of working and implementing as one. The NCI is expected to bridge some of these connections, while the "Innovation for enterprise growth and jobs" programme will bridge others by providing exemplar projects or innovation support approaches led by the private sector and resembling lessons for future policy funding and initiatives. Hence, the programme will work in close collaboration with the NCI.

The following **national stakeholders** are involved in the sector:

- **Government:** The HCST plays the main role in the formulation of innovation and scientific research policy. Although other public bodies have policy impact through their representation on decision-making panels, their control over resources and their ministerial mandates, the HCST has the national authority to manage all policy related to innovation. Policy development and initiatives are difficult because of often limited co-ordination between various public entities. The NCI is being set up under HCST, with a separate bylaw to empower it to become the national innovation policy

---

<sup>5</sup> Joint communication to the European Parliament, the council, the European Economic and Social Committee and the Committee of the regions on the Review of the European Neighbourhood Policy of 18.11.2015.

JOIN(2015) 50 final

<sup>6</sup> Council Decision (EU) 2016/2310 of 17 October 2016 on the position to be taken on behalf of the European Union within the Association Council set up by the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Hashemite Kingdom of Jordan, of the other part, as regards the adoption of EU-Jordan Partnership Priorities, including the Compact

formulator and coordinator, and act as an umbrella organisation advising the Government of Jordan on further enhancing its innovation policies and programmes.

- **Support Intermediaries:** There is a multitude of stakeholders and civil society support organisations (CSOs) involved in support services. But innovation and entrepreneurship ecosystems are often confused in Jordan, with many stakeholders claiming (or aiming) to support innovation<sup>7</sup>. Some promote R&D, but almost none directly support the realisation of innovative ideas. Some entities conduct a degree of networking and innovation showcasing among enterprises while numerous others offer entrepreneurship training and mentorship, as well as business and management skills and training to innovators. The profusion of incubation spaces across governorates, institutions and sectors throughout Jordan is striking, but the availability of quality business development services (BDS) is limited and there is very little information available on the effectiveness of this part of the ecosystem, since no bodies are in place to assess or evaluate it.
- **Science, Technology and Innovation (STI) Agencies:** A network of 11 Technology Transfer Offices (TTOs), created with support from the EU-funded Support to Research, Technological Innovation and Development (SRTD) programme, is distributed among academic institutions, funding agencies and other associated partners. The Intellectual Property Commercialisation Office (IPCO) hosts the central TTO. The transfer of knowledge from Research and Development (R&D) to the enterprise sector is limited and there is a lack of both awareness and agreement among stakeholders as to what a healthy innovation value chain entails, particularly when it comes to transfer from suppliers of innovation to procurers. Supply and demand in this field are mismatched and opportunities for commercialisation are missed. The new NCI, when fully designed and implemented, should address these issues at least from the academic R&D perspective. The NCI is planning to put in place an open market for innovation that is supply and demand based to address the shortcomings that have been hindering the returns on past investments such as under the SRTD programme.
- **Academia:** There are 10 public and 20 private universities in Jordan. The higher education sector is active in R&D but there is a high level of dependency on public financing. Some universities have moved toward more specialised and innovative technological programmes, including the setup of Centres of Innovation to encourage entrepreneurship among students. However, collaboration between academia and industry remains at a very low level. Academic research in Jordan is not being realised as innovation as it is not market led, has little commercial value, and is often promoted by TTOs only, which have, still, little understanding of what business is looking for. The experience with the EU SRTD I and II programmes has confirmed the difficulties to transform research outputs into “marketable” products.
- **Financial institutions:** The main financing institutions (e.g. banks) do not support innovative start-ups or the R&D investments of established companies, and traditional

---

<sup>7</sup> There is limited understanding of what innovation is (with multiple definitions of innovation exist across stakeholders) and needs to be communicated better.

financing mechanisms are often not appropriate in support of innovation. There are at least six private equity funds in Jordan, which mainly address the needs of companies that are at an advanced stage of development and are looking to restructure. However, the seed and value chain investment markets remain nascent in terms of available and deployed capital and the number of transactions.

- **Private Sector:** Small and medium sized enterprises (SMEs) represent 98% of all enterprises and employ 71% of the total private sector labour force. Due to the relatively small scale of the economy, few large corporate enterprises are present and there is also a serious lack of middle-level support (business development services supporting growth & internationalisation) to high-potential SMEs in all sectors. Private sector investment in innovative activities remains small-scale, mainly due to the lack of appropriate financing mechanisms and a prevailing expectation that R&D and innovation support should be led by Government actors. There is also weak collaboration among private sector actors (such as Business Membership Organisations and Civil Society Organisations (CSOs) and weak public-private dialogue and engagement.

**Final beneficiaries of this action:** Jordanian SMEs, large corporations, entrepreneurs and innovators (including women, youth and disadvantaged population groups) will be the final beneficiaries of the programme. Enterprises registered in Jordan will benefit from more effective and coherent ecosystems for entrepreneurship and innovation that will foster their innovative activities and competitiveness and improve their ability to grow and scale up. The businesses supported through the action will not only generate additional employment and improve income opportunities but will also act as models of what can be achieved through innovation in Jordan.

**Direct beneficiaries of this action:** Given its nature, the action must be driven by the private sector. As such, the direct beneficiaries (actors eligible to apply for the below-mentioned components of the programme) will be Jordanian private sector-led consortia. These may include public or private, domestic or international industry clusters, incubators, accelerators, established BDS providers, serial entrepreneurs, equity or Venture Capital funding mechanisms, research institutions and technical service providers. Eligible consortia would guarantee a complementary contribution and demonstrate the capacity to be sustainable and self-funding by the end of the programme. The selected projects would represent a demonstrative, new approach to promoting innovation in support of enterprise development (for a specific sector or geographical area) which has the potential to become a mainstream replicable development approach in Jordan.

### ***1.1.3 Priority areas for support/problem analysis***

The two main characteristics of Jordanian innovation are i) the high level of **fragmentation**; and ii) the presence of **gaps in the ecosystem** such as appropriate financing, early-stage R&D, technology transfer and commercialisation.

The problem analysis identifies the following prominent **gaps in the innovation ecosystem**:

- **Fragmented and poorly articulated Innovation Policy:** The innovation policy arena is crowded but poorly articulated, with a proliferation of relevant ministries and public entities that is challenging to co-ordinate. This situation applies to both policy making and policy delivery and has led to a fragmented innovation and enterprise support ecosystem which i) has no clear roadmap for innovation among enterprises or entrepreneurs; ii) is characterised by weak monitoring mechanisms and information systems; and iii) has achieved little in the way of measurable impacts. This is evident in the lack of a coherent and current innovation policy and the fact that the previous policies have not been fully implemented. The NCI plans to address this deficiency by developing an innovation policy and framework; It should. be a collaborative effort as a result of public-private sector dialogue.;
- **Lack of Private Sector Engagement and Investment:** There is little private sector investment in innovating activities and the focus of state support for fundamental institutional research is not yielding commercial impact or jobs. There is no forum or platform that could stimulate the private sector engagement. There is a need to incentivise the private sector both to invest in innovation activities and to collaborate with academic and research institutions. This involves piloting exemplary innovation development approaches which demonstrate real success and impact through soft, hard and fiscal support.
- **Skills Mismatch, Youth and Job Creation:** Jordan’s labour force represents just fewer than 25% of the estimated national population in 2018. Extremely low participation of women at just 13% and a very high youth unemployment rate of 36% represent serious impediments to economic growth. Innovating companies find it difficult to attract appropriately qualified staff while innovating start-ups<sup>8</sup> and growth enterprises are often more like to be founded by or employ youth and women. Also, there are about 660,000 refugees registered with the United Nations High Commissioner for Refugees (UNHCR) in Jordan. Meanwhile, firms seeking to fill entry-level positions complain that educated youth lack the appropriate interpersonal and technical skills required for the positions.
- **Lack of Support to SMEs with High Potential for Growth:** In Jordan today, there is a serious lack of middle-level support to SME growth in all sectors (both traditional and technological). Support to the emergence of start-ups is developed to some extent, but there is no support for rapidly scaling, high-potential innovative businesses. Sector-specific scaling programmes, led by the private sector, that focus on the provision of support to the growth process and the development of innovation are required. Support to SMEs for growth has to factor in a good understanding of the sectors that have a potential for growth; job creation and market access in and outside of Jordan.
- 
- **Weak Academia-Private Sector Collaboration:** There is a significant disconnect between academia and private sector actors. This seems to be a cultural issue as there are

---

<sup>8</sup> Oasis500 demonstrates importance of innovating new enterprises to youth and women e.g. although 20% of applicants are women 40% of invested companies have women founders.

also internal silos in operation within Ministries and public organisations in general. There is some degree of collaboration between private sector support organisations in the start-up arena but little structured collaboration between private sector companies, particularly when it comes to innovation. Initiatives, such as innovation vouchers proposed, are a proven way of fostering sustainable two-way linkages between academia and the private sector.

- **Fragmented Innovation Ecosystem, Culture and Infrastructure:** Innovation does not happen in a vacuum. Just like entrepreneurship, it requires networks, connections, infrastructure and the ideal cultural attitude among key stakeholders, including entrepreneurs, universities, risk capital providers, Government, SMEs and large corporations. Jordan needs to have infrastructure (facilities, support services, structured information, networks and initiatives) available that will support a culture of innovation for individuals (especially women, youth as well as for refugees), start-up enterprises and growth-oriented SMEs in dynamic clusters. The promotion of a Culture of Innovation and Entrepreneurship needs to be addressed as well.
- **Poor Access to Finance:** Jordan has one of the lowest access to finance indicators in the world, especially for small enterprises. Despite recent initiatives, such as EU budget support on financial inclusion or World Bank (WB) Guarantee Fund for start-ups, the availability of innovation-appropriate financing mechanisms, particularly for higher-risk innovating enterprises and entrepreneurs, is still limited. Funding for innovation, whether on the level of R&D or enterprise support, is not responsive to risk, does not properly target innovation, is not optimised for commercialisation and is not being properly tracked. There is a need to incentivise private sector investment in higher-risk innovative activities so that the exemplary value of such investment may be demonstrated, and the confidence of the private sector enhanced.
- **Absence of Model Programmes and Projects:** There have not been enough exemplar projects or innovation support approaches to build the required confidence in Jordan for innovation to be generally accepted as a source of competitive advantage. Similarly, investors are yet to be shown the value of investing in innovative activities. There is thus a need for models to demonstrate the successes achieved by enterprises through innovation.
- **Limited Access to Innovation Inputs, Data, Knowledge and Learning:** There is no single “port of call” from which innovation is promoted, or from where innovators can access or acquire the latest knowledge, services, support, finance, networks or skills to pilot, test or progress their ideas to realisation. There is no place where existing enterprises, looking to innovate, can organise innovation audits and support. There is also an obvious gap in statistics collection and policy assessment and monitoring, especially when it comes to the results achieved by innovative companies.
- **Acute gender marginalisation in the labour market and limited access to innovation/entrepreneurial support.** Women participation in the work force, in particular in the entrepreneurial activities, is limited mainly due to cultural and societal barriers. There is no sufficient tailor-made support and incentives that encourage and promote women economic empowerment through innovation.

While the problem analysis identifies the above prominent **gaps in the innovation ecosystem**, the key issue addressed by this action is the **limited (or lack of) private sector engagement and investment in innovation** activities manifested by the absence of **exemplar programmes and projects**.

Therefore, the action aims to put the private sector at the heart of innovation-led growth, demonstrating the successes that can be achieved by enterprises through innovation, which would increase the confidence of the private sector in it and promote more coherence in the innovation ecosystem.

Employing a **pilot approach**, the action will primarily focus on addressing the following gaps:

- Lack of Support to SMEs with High Potential for Growth;
- Limited Access to Innovation Inputs, Data, Knowledge and Learning
- Fragmented Innovation Ecosystem, Culture and Infrastructure
- And Absence of Model Programmes and Projects.

While the remaining problems are not directly addressed, the results envisioned by the Programme will have a spill over effect and will complement other government or donor initiatives (specifically the set up and operation of the NCI). Cooperation and synergies with the NCI will be sought to ensure the long-term sustainability of the programme. Moreover, if this pilot approach proves successful, it could be scaled-up in the future into a second phase addressing the innovation ecosystem problems in a more complete/holistic manner.

## 2 RISKS AND ASSUMPTIONS

Risks	Risk level (H/M/L)	Mitigating measures
<b>Risk 1:</b>		
<b>Lack of sustainability and ownership of direct beneficiaries</b>	M	Sustainability and ownership will be clearly articulated in the guidelines for calls for proposals (CfPs). Direct beneficiaries will be Jordanian private-led consortia. To be eligible, applicants will need to be legal entities with a mandate for enabling or delivering BDS or innovation services and will need to demonstrate sustainability by the end of the programme.
Assumption:		
<ul style="list-style-type: none"> <li>- Continued and consistent commitment of the Jordanian Government to promoting innovation as a driver of growth, where publicly led initiatives (e.g. the NCI) will complement private sector initiatives proposed by the programme; and</li> <li>- Adequate capacity and effective commitment of the grant applicants.</li> </ul>		
<b>Risk 2:</b>		
<b>Lack of appropriate competent applicants for the</b>	L	Competent actors do exist in Jordan. The EU Delegation will carry out extensive CfPs'

<b>CfPs</b>		information sessions and communication campaign, together with support of the Technical Assistance team, to reach out to relevant participants.
<b>Assumption:</b>		
<ul style="list-style-type: none"> <li>- A considerable number of national support organisations exist in Jordan which address SME support, entrepreneurship promotion, skills development, youth and employment at large;</li> <li>- Regional, European and international innovation support organisations are motivated to join the applicant consortia; and</li> <li>- Private sector applicants show commitment and willingness to develop capacities and pursue co-operation.</li> </ul>		
<b>Risk 3:</b>		
<b>Limited geographical outreach of the project activities (limited outreach outside west Amman)</b>	M	Geographical outreach will be fully integrated and clearly articulated in the CfP guidelines. Implementation will also involve the creation of portals and outreach ‘one-stop shops’ that can be accessed nationwide.
<b>Assumption:</b>		
<ul style="list-style-type: none"> <li>- Applicants from outside Amman will be made aware of the new Programme through a well-co-ordinated and designed communication strategy; and</li> <li>- NCI’s Jordan Open Innovation Platform is operational by the time of the CfP and can be used to further facilitate the info and outreach campaign,</li> <li>- There is commitment and interest among Jordanian public and private stakeholders to local development initiatives (including for innovation and SME support) outside west Amman.</li> </ul>		
<b>Risk 4:</b>		
<b>Duplication of this action with existing initiatives, including the National Centre for Innovation</b>	L	The design of the action ensures synergies and complementarities with other existing and planned Government and donor programmes, especially with the National Centre for Innovation.
<b>Assumption:</b>		
<ul style="list-style-type: none"> <li>- Government and its donor co-ordination activities ensure that complementarity is at the forefront of planning initiatives;</li> <li>- There is continued and consistent commitment of the Jordanian Government to promoting innovation as a driver of growth, where publicly led initiatives (e.g. the NCI) will complement private sector initiatives proposed by the programme; and</li> <li>- The NCI will facilitate the innovation policy framework development and better coordination within the innovation ecosystem. .</li> </ul>		
<b>Risk 5:</b>		
<b>Delays to meaningful or cohesive change or improvement by the lack of co-</b>	M	The use of CfPs will encourage the dynamic and committed applicants to seek support to implement their own solutions. This should



<b>operation and co-ordination among the wide variety of stakeholders in the Jordanian innovation ecosystem</b>		generate a co-ordinated and comprehensive acceptance of responsibility for their own actions rather than the implementation of a prescriptive solution designed by others.
Assumption:		
<ul style="list-style-type: none"> <li>- Improved public-private dialogue and consensus on the need to improve innovation and investment frameworks are initiated and maintained; and</li> <li>- Stakeholders are the only means to fulfilment of the programme and will stimulate and support demand-driven modalities, thereby creating a sense of ownership among implementing partners.</li> </ul>		
<b>Risk 6:</b>		
<b>Inability to retain supported businesses from moving abroad</b>	M	This is a pure business decision regardless of the ultimate success of the programme. It is not only related to Jordanian policy and market conditions. In other words, even if the programme achieves all of its targets, there will still be business moving abroad if they deem that it is more profitable. A business that moves abroad often does leave behind it the core business it has created.
Assumption:		
<ul style="list-style-type: none"> <li>- Continued and consistent commitment of the Jordanian Government to promoting enabling business environment;</li> <li>- Successful donors-government policy dialogue on enabling business environment (e.g. WB, International Monetary Fund (IMF), ongoing EU budget support programme on private sector, and others).</li> </ul>		
<b>Risk 7:</b>		
<b>Political and regional instability</b>	M	This is beyond the control of the programme and continuous monitoring in order to plan for the pre-emption of risks is the only available mitigation measure.
Assumption:		
Political, economic and social conditions in Jordan and the region remain stable, or at least do not deteriorate in a manner that compromises the achievement of programme objectives.		

### 3 Lessons learnt, complementarity and cross-cutting issues

#### 3.1 Lessons learnt

Lessons learnt in Jordan can be drawn from the EU experience which has been pivotal in supporting entrepreneurship, innovation and R&D, specifically through i) past programmes such as the SRTD I & II<sup>9</sup>, the Jordan Upgrading and Modernisation Programme (JUMP) and the Jordan Services Modernisation Programme (JSMP)<sup>10</sup>; or ii) current programmes such as ShamalStart<sup>11</sup> or Jordanian Action for the Development of Enterprises (JADE)<sup>12</sup>.

The experience of the SRTD has confirmed how difficult it is to transform research outputs into “marketable” products in the country. Even though large efforts have been made to build the knowledge chain, real and permanent results did not appear. In order to consolidate the efforts and exploit the potential synergies a more coherent institutional structure is needed. Lessons drawn from JSMP and JUMP showed that the provision of a direct financial grant without any technical support is not an efficient means of promoting private sector development. On the contrary, it can lead to grant dependency and discourage the search for competitiveness and innovation.

Current programmes, such as ShamalStart and JADE, prove that: i) there is a need for post-incubation support (including to help companies to grow); ii) access to knowledge and know-how is equally important as access to finance; iii) there is a need to incentivise innovation; and iv) linkages with the local innovation ecosystem and networking opportunities are important in order to better understand the market needs for innovative products/solutions.

The proposed programme will therefore adopt an innovative, impactful and different approach to what has been done before in Jordan, focusing on private sector innovation and promoting the **private sector** as the **driver of enterprise growth** and **producer of the local economic value added** that will create jobs, both directly and indirectly.

#### 3.2 Complementarity, synergy and donor co-ordination

The pilot project complements and builds on current EU initiatives supporting entrepreneurship, innovation and job creation such as JADE, ShamalStart. It will build on lessons learnt from these initiatives, and also, provide the next step support (post-incubation

---

Support to Research and Technological Development (SRTD) programmes, implemented in a period of 2008-2017 by the HCST through Programme estimate modality.

<sup>10</sup> JUMP and JSMP programmes were implemented in the period of 2008-2018 by the Jordan Enterprise Development Co-operation (JEDCO) through Programme estimate modality.

<sup>11</sup> ShamalStart fosters and invests in passionate entrepreneurs who demonstrate cutting-edge ideas in the area of manufacturing and services by providing comprehensive support, including strategic mentorship, creative workspace, networking and linkages, seed funding and access to the first digital fabrication facilities in Jordan (FabLab Irbid).

<sup>12</sup> JADE aims to support over 160 SMEs, start-ups and entrepreneurs and create new employment opportunities for Jordanians through access to quality BDS using a voucher system.

and post-acceleration) to innovative companies. It will also promote innovation and entrepreneurial culture and, by doing so, promote a pipeline of innovative ideas.

It is also in complementarity with the ongoing budget support operation promoting private sector development<sup>13</sup>. While the budget support provides a framework for policy dialogue with the Government on key economic reforms and improved business environment (including the promotion of an innovation-friendly environment), this pilot programme will promote private sector led innovation and provide examples that can demonstrate success.

The proposed action also complements EU ongoing support and actions, notably the simplification of rules of origins, creating more opportunities for bilateral trade between Jordan in the EU, while encouraging investment and job creation.

Furthermore, this action also complements the ongoing support provided by the EU to higher education, employment and Technical and Vocational Education (TVET) in Jordan as well as other EU regional initiatives from which the country benefits, including the Next Society and the Partnership for Research and Innovation in the Mediterranean Area (PRIMA), which Jordan joined after signing an agreement with the EU in 2017.

Synergies will be sought with the National Centre for Innovation (NCI), currently being established by the HCST with support from the EBRD and expected to be operational by 2020. The main focus of the NCI is to address several country-specific critical issues such as the development of a virtual database platform to organise and structure the information flow, and address policy formulation and co-ordination weaknesses. Where possible and appropriate, the EU and its implementers will co-ordinate with and complement the NCI, but as the NCI is still under development, it is too early to say how exactly this new entity will operate and how we can collaborate in the future.

Similarly, the proposed pilot programme will also complement and link with other initiatives managed by financial institutions, such as the EBRD's on-going programme on advice to small businesses, a new accelerator programme, or the World Bank's Innovative Start-ups Fund<sup>14</sup>.

Existing donor-funded or government programmes are engaged in various aspects of the entrepreneurial and innovation cycle but focused mainly on the areas of: incubation, consulting, mentoring, entrepreneurship training, curriculum development and support services such as access to markets, business services, networks. Areas that are gaining growing interest but still remain inadequately served include: acceleration, seed funding and

---

<sup>13</sup> Decision C(2015)7130 of 14.10.2015 - Annex 1

<sup>14</sup> The Innovative Start-ups Fund Project was approved in 2017 and provides a loan of USD 50 million for the establishment of a private sector-managed fund called the "Innovative Start-ups and SMEs Fund" (ISSF). This will make investments in innovative start-ups and early-stage SMEs by leveraging private sector funds.

growth financing, technology and knowledge transfer and effective linkage mechanisms between funding and innovation performance.

Support seems missing for enterprises at growth and internationalisation stage and, before the establishment of the NCI, there was no specific innovation programme in Jordan. There are not enough exemplar projects or innovation support approaches in Jordan to build the confidence necessary for innovation as a source of competitive advantage and to demonstrate to investors (Government, Financial, International Financial Institutions (IFIs) and the private sector) the value return for investing in innovative activities. Exemplars are needed at the level of sectors, clusters and individual enterprises so that the successes achieved by enterprises, through innovation, can be demonstrated.

Therefore, the proposed action has been tailored around a pilot approach to address key priority challenges and gaps in the innovation ecosystem that would increase the confidence of the private sector and put it at the heart of innovation-driven growth. As such, it is complementary to the ongoing actions.

### **3.3 Cross-cutting issues**

#### Environmental Sustainability:

The proposed interventions employ a sectoral approach. During implementation, environmental issues should be incorporated into the choice of sectors to be targeted by the programme. Environmental sustainability will be considered in prioritising direct support activities with SMEs, especially those that contribute toward a green economy by developing environmentally friendly enterprises (for example in the area of innovative agriculture, water/energy efficiency, sustainable ecotourism, etc.) and innovating green products.

#### Gender Equality:

No action is gender-neutral and the proposed intervention will be designed to be non-discriminatory and encourage the participation and involvement of women and all marginalised groups. Evidence points to the fact that advancing women's rights has a clear economic payback and yields high returns for poverty eradication and sustainable development, with innovation and gender equality underpinning the Sustainable Development Goals. Given the low participation of women in the labour market, all pilot activities under this programme will be gender-sensitive, promoting **innovation culture, facilities and financing that can address gender gap** in private sector innovation.

All of the proposed interventions under this programme should include specific activities to address gender inequalities. Applicants of the Calls for Proposals will be requested to include in their proposals a focus on gender equality and vulnerable groups such as youth. As pilots, their implementation should shed light on how ultimately such actions can be replicated or adapted for larger-scale programmes. The primary focus of such initiatives would be on increasing:

- Access to entrepreneurial & innovation training and skills development (eg. including specific programmes tailored to women overcoming the specific impediments hindering female participation despite their higher education level);
- Improved and enhanced access to finance (e.g. higher co-funding rates for disadvantaged could be applied to stimulate and support the emergence of proposals from vulnerable groups);
- Improved specific facilities promoting equal opportunities (e.g. day-care facilities for children, ease of access for disabled and out-reach);
- A focus within the communication, awareness raising and visibility programmes on stimulating and engaging with disadvantaged and vulnerable groups (e.g. specific competitions to promote women in innovation);

#### Rights-Based Approach:

The action will be implemented following a rights-based approach, encompassing all human rights. The five working principles will be applied at all stages of implementation: Legality, universality and indivisibility of human rights; Participation and access to the decision-making process; Non-discrimination and equal access; Accountability and access to the rule of law; Transparency and access to information. In particular, the programme will support disadvantaged and vulnerable segments of Jordan's population (including refugees and people with disabilities), with a focus on activities that support the development of SMEs owned by women and youth and provide income-generating opportunities for both.

## 4 DESCRIPTION OF THE ACTION

### 4.1 Objectives/results and options

The **overall objective** is to contribute to positioning **private sector innovation** as the main driver of inclusive economic development and promoting systematic change and coherence in the enterprise and innovation ecosystem in Jordan.

The **specific objectives** (SOs) are to pilot private sector led innovation initiatives to:

- SO1:** Enhance the potential of innovative Jordanian enterprises with high growth potential to scale up and contribute to the economic growth that will generate direct and indirect jobs;
- SO2:** Increase access of SMEs, entrepreneurs and innovators, in specific high-growth potential sectors and clusters, to innovation inputs (technology transfer, knowledge, learning) and financing;
- SO3:** Promote and strengthen the culture of innovation & entrepreneurship in the Jordanian ecosystem.

The key **expected results** (R) are:

- R1:** Improved **scalability** of high potential enterprises;

- R2:** Improved and sustainable **access** to quality innovation support infrastructure, facilities, financing and services;
- R3:** Innovation and entrepreneurial **culture** is promoted, through pilot initiatives and communication actions, to support the innovation lifecycle from ideation to international growth exploitation.

#### 4.2 Main activities:

Based on the problem analysis and needs assessment of the innovation ecosystem in Jordan and to achieve the results proposed, it is necessary to **promote exemplar activities** that address priority gaps across the ecosystem in a coherent way in order to **promote open innovation practices**, collaboration and networking, as well as an **innovation culture** and awareness.

As this intervention will be among the first, innovation specific, private sector driven programme approach in Jordan, **three pilot initiatives** are proposed:

##### **Activity 1: “Scalerator” Growth Hub**

*(linked to R1: Improving scalability of innovative enterprises)*

In Jordan there is currently a plethora of initiatives supporting start-ups and incubators. There is, however, no support for scaling-up high-potential enterprises. It is, therefore, proposed to support the development of a Growth Hub called a “Scalerator”. It will be an **intense support programme and physical space** that will provide opportunity for high-potential, innovative companies to scale-up, grow and realise their potential. It would be a competitive support initiative for focussed business owners who make a significant time and financial commitment to the process.

The hub would provide a mix of intense management training, customised support and coaching by accredited local or international experts and mentors, leadership programmes, interim management and others, with the key initiative being the development of, and implementation support for, a 5-year strategic vision for the growth and globalisation of enterprises. Specific effort would focus on targeting female owned and managed businesses to improve diversity and promote equality.

Initiated as a pilot approach that will demonstrate how, if approached correctly, the potential of innovative early stage businesses could be supported to achieve substantial revenue and return-on-investment growth.

The Hub may use the NCI's Jordan Open Innovation Platform (JOIP) provided it is suitable and ready by the time the project will be operating (for example: sub-granting could be run through the platform, training materials and other information could be made available through the platform, etc).

##### **Activity 2: Sector Centre of Excellence**

*(linked to R2: Improving access to innovation support infrastructure and facilities)*

This intervention envisages the establishment of a private sector driven sector-specific Centre of Excellence, which would facilitate the pursuit of innovation for any individual, enterprise or network operating directly within the sector or its broader industry value system. It would promote **sectoral innovation excellence**, providing leadership, access to good practices, research, support and/or training for a focus industry or enterprise arena and act as an innovation hub of development.

The facility would also act as a conduit for networking and international development and support **cluster management** and vertical and horizontal linkages. The support could take the form of access to technical research expertise and equipment, innovation management and scaling, business advisory services and/or financial support (e.g. Innovation Vouchers).

If possible, the Centre of Excellence will be licensed by the NCI to become one of the first centres of excellence within the NCI framework.

### **Activity 3: Open Innovation Facility**

*(linked to R2 & 3: Improving access to innovation support infrastructure, promoting innovation and entrepreneurial culture and building innovation community in Jordan)*

There are no commercial innovation hubs in Jordan, through which the innovation lifecycle from ideation to international growth exploitation is promoted or supported. Therefore, this activity would pilot a new holistic approach to the promotion, development and support of private sector driven innovation, open to any sector. It would establish a facility (virtual and physical) and suite of actions and services which would become the first “port-of-call” from which innovation is promoted. It would have specific programmes focussed exclusively on promoting gender equality in addition to higher grant levels to support female and all other marginalised groups.

It would be a “**go-to-place**” **open to anyone** (innovators, entrepreneurs and existing enterprises, students, etc.) looking to research and undertake commercial innovation activities in pursuit of market competitive advantage that would be exploited through a new start-up, expansion of an existing enterprise or Intellectual Property Rights licensing.

The Facility would work in synergies and collaboration with the NCI, once it is established. For example, the Facility may use the NCI's Jordan Open Innovation Platform (JOIP) provided it is suitable and ready by the time the project will be operating (for example: sub-granting could be run through the platform, training materials and other information could be made available through the platform, etc).

In addition to the above-listed components, a **Technical Assistance (TA) service contract** will provide a support to the three pilot activities in the following areas:

- Overall programme co-ordination, providing access to international specialist expertise which would support the implementers of the three projects with advice and interim

management resources. It could also, if needed, support policy dialogue and advocacy for an innovation-friendly business environment.

- Measure real and sustained impact of the programme through a continuous monitoring and evaluation (M&E). The results of this continuous monitoring and evaluation would be useful in the future to decide whether a scaled-up action is needed and beneficial.
- Overall communication and visibility support to the programme.

Depending on the final programme structure, a separate contract for the overall Programme communication may be concluded.

A second small scale framework contract (FWC) may be concluded to support the elaboration of the CfPs guidelines to applicants and assist the drafting of the terms of reference (ToRs) for the above mentioned TA contract.

### 4.3 Intervention logic

The intervention objective is to support pilot and exemplar innovation activities which by demonstrating success will promote systemic change in the enterprise innovation ecosystem. In the approach to the proposed interventions it is recognised that the **private sector has to be at the heart of innovation development** in Jordan. It would be very difficult for the Jordanian Government to do this as the initiatives require a deep commercial focus and experience which needs the in-depth knowledge of the private sector. None of the current State implementing agencies has the commercial experience, skill sets or competencies to manage the types of intervention that are proposed although they may be part of implementing consortia.

Therefore, the proposed implementation modalities would be through specific calls for proposals (or one call with three lots), which would collectively address the identified ecosystem deficiencies including poor private sector engagement or investment in an overcrowded and poorly articulated innovation arena with weakly implemented policy and poor support mechanisms especially for high potential enterprises. Indeed, beyond start-ups, there is a “missing middle” of SMEs, where the real potential for job creation exists, but is unrealised. This situation is compounded by lack of access to innovation knowledge or transfer, a significant skills mismatch and poor networking nationally or internationally for new ideas, commercialisation partnerships and insufficient and irrelevant financing mechanisms.

All these gaps cannot be addressed by one programme of interventions and therefore the significant gaps identified will be addressed by pilot initiatives led by the private sector and will act as examples for how future interventions can be designed and how the expansion can cover the entire innovation ecosystem.

The Scalerator will demonstrate how a systemised approach can accelerate growth of innovating companies, which represent the best opportunity for increasing local economy benefits, economic growth and job creation.

The Sector Centre of Excellence will demonstrate how innovation and a specific support approach can, in sectors where substantial market opportunity exists, build on local competencies to achieve sustainable market positions and international competitiveness for Jordanian enterprises.



And the Open Innovation Facility will provide a non-sector or size specific range of services and financing mechanisms promoting a culture of innovation, entrepreneurship and collaboration in Jordan.

These interventions will demonstrate innovation value and promote coherence across the ecosystem, feeding, off and into, each other, bridging gaps and promoting collaboration:

- Through addressing market failures and promoting innovative and sustainable private sector development, it aims to increase the opportunity for employment, income generation, and local value creation and enhance the capacity of SMEs and entrepreneurs to innovate.
- Demonstrate to investors (Government, Banking/Equity and Private Sector) the valuable returns and potential that can be exploited through innovation;
- Aim to move Jordan up the tiers of innovating countries from one which buys to one which “makes and buys”.

Such approaches can contribute to improving:

- The overall business environment where innovation policy is addressed, thus improving the investment climate, international competitiveness, good governance and economic and technological infrastructure of Jordan;
- The ecosystem for enterprise, generically recognised as the interaction of culture, business environment, innovation, access to finance, entrepreneurial networks and market access, ensuring it is more coherent and interlinked; and,
- Micro Intervention - the range of support and initiatives which will stimulate and facilitate innovation and the creation, development, growth and internationalisation of innovative enterprises.

This implementation approach is justified, because there are no such public entities with the commercial experience, skill sets or competencies to manage the types of intervention, which are proposed. Being private sector led, the pilot budget would be utilised directly and cost effectively for the use and advantage of final beneficiaries. The programme objectives are quite specific in relation to private sector growth and job creation. It therefore aims to facilitate directly private sector innovation and the commercial operations of enterprises, for which, the private sector is best placed and informed to deliver.

To ensure the overall coherence and co-ordination between the above components, a TA will be put in place. It will also ensure continuous monitoring and evaluation of the programme allowing for timely corrective measures to be put in place, if needed. Additionally, the TA will provide access to knowledge through a pool of international experts and ensure linkages and complementarity with existing relevant initiatives and organisations at local and regional/international level.

## **5 IMPLEMENTATION**

## 5.1 Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country.

## 5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4.2 will be carried out and the corresponding contracts and agreements implemented, is **48 months** from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this Decision and the relevant contracts and agreements.

## 5.3 Implementation modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures<sup>15</sup>.

The proposed concepts will be implemented through directly managed restricted calls for proposals 'aimed at private sector leadership. This may be one call for proposals with three lots or three individual calls depending on what is the most appropriate and efficient approach from a resources and logistics perspective.

In the approach, to the proposed interventions, it is recognised that the **private sector has to be at the heart of innovation development** in Jordan, taking ownership and leadership of the processes and supports.

### 5.3.1 Grants: call for proposals.

#### 5.3.1.1 Lot 1: 'Scalerator Growth Hub' (direct management)

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

##### Objectives:

The objective of this grant is to provide support to address the growth and scaling-up needs for high potential enterprises. The Growth Hub would support the scaling and internationalisation of high potential enterprises through a mix of cohort training, individual coaching by discipline experts/mentors and interim management. The key initiative will be the development of a five-year strategic vision for the growth of each enterprise and its internationalisation. Delivered over 24 months, a clear vision and action plan would be developed in the first three to six months of the programme setting out the activities, milestones and operational initiatives which

---

<sup>15</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu) Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

would be supported to significant market traction and revenue generation over the following 18 to 21 months.

It would be a competitively available (i.e. selective) support initiative for focused business owners and key team members who are active managers and who are also extremely motivated to grow their businesses and make a significant time and financial commitment to the process.

Types of possible activities:

- i. Intense, customised support, interim management, development and training on growth processes and multipliers;
- ii. Cohort Development, Strategic Planning and Implementation for Scale and Internationalisation;
- iii. Access to international level quality strategic consulting, coaching and mentoring expertise (incl. targeted coaching for female entrepreneurs and innovators);
- iv. Commercialisation Support & sub-grants for applied research, Technology Acquisition Licenses and Equipment Consultancy Development and Accreditation;
- v. Provision of, or promotion through partners, innovative programmes aimed at women which would lead to scalable, female owned enterprises;
- vi. Support through regional and international networks (soft-landing) and in-market expertise, market/customer acquisition;
- vii. Executive and leadership programmes (and qualifications);
- viii. Events creating linkages with inspirational and innovative thinkers and leaders

Expected results:

In line with the objectives in section 4.1, the following results are expected:

- a. Develop and demonstrate successful new scaling methodologies for supporting the growth of high potential businesses;
- b. Support individual innovative enterprises in growing and embedding competitive market ownership positions and revenue in regional and international markets;
- c. Provide ongoing implementation support and access to excellent, accredited, local and international consultants and internationalisation through international partner organisations and networks to in-market brokers and soft land supports and facilities;
- d. Provide and promote innovative programmes aimed at women and marginalised or disadvantages groups and demonstrate how these can ultimately be incorporated into mainstream non-gender or disadvantage specific approaches;
- e. Improve the management and executive development capability of client firms through exposure to courses, internships and placements, locally and internationally.

A grants approval committee will be established for the sub-grants. It will consist of five members supported by a recording secretary and an independent auditor funded from the operating budget of the project and will include the team leader of the grant project and other private sector representatives as deemed necessary. The EU Delegation may participate as observer.

**(b) Eligibility conditions:**

The lead applicants should be Jordanian registered private sector entities (but entities established outside Jordan, in an eligible country as defined by the European Neighbourhood Instrument, will also be admissible).

Co-applicants in such consortia could include a specific type of organisation such as: private sector and economic operators (e.g. incubators/accelerators, micro, small, medium enterprises –(MSMEs) and large corporates, financial organisations or funds); public actors/operators and State Agencies that exist as legal entities in the field of innovation/research or provision of BDSs; academic or research Institutions; local and regional authority; international (inter-governmental) organisation, and, be effectively established in an eligible country as defined for the European Neighbourhood Instrument.

**(c) Essential selection and award criteria**

The essential selection criteria are the 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 90%.

If full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100%. The essentiality of full funding will be justified by the Commission's authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.

**5.3.1.2 Grants: call for proposals. Lot 2: 'Sector Centre of Excellence' (direct management)**

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

Objectives:

This intervention envisages the establishment of an exemplar and pilot, sector specific, Centre of Excellence. It would become the recognised “go to place” for any individual, enterprise, or network operating directly within, and be integrated with, the sector or its broader industry value system in the pursuit of innovation. Such sector would be proposed by the applicants demonstrating the opportunity and potential to address the inclusive economic development needs of Jordan. The successful applicant would identify, propose and justify a vertical sector, in the manufacturing or internationally traded service arena that demonstrates significant potential for new or growth Jordanian SMEs (i.e. where Jordan has existing or can quickly build competencies and sustainable competitive advantage). It would grow a cadre of excellent, scalable businesses through supporting the innovation development cycle from proof of concept to international development.

The applicant should have relationships/linkages with financial and service organisations, commercial research institutions, relevant academic organisations etc. willing to partner or supply a holistic range of R&D services and technical expertise, Intellectual Properties Rights expertise and services, investment, to support its client enterprises and the connections with larger scale companies in the sector nationally and internationally to facilitate procurement opportunities and appropriate market channels.

Types of possible activities:

- Promotion of sectoral innovation excellence, providing leadership, access to best practices, research, support training and financing for the innovation activities of a focused industry or enterprise arena;
- Support of existing start-up enterprises and entrepreneurs addressing the identified industry's main scientific, technical and socio-economic challenges at all stages of the innovation lifecycle from ideation an opportunity analysis, from research to commercialisation, start-up to growth and internationalisation;
- Analysis and profiling of specific industry value systems and identification of opportunities for innovation and in-company innovation analytics, reporting on potential development actions;
- Support of action planning and delivering relevant change management, identifying opportunities for inclusiveness, cross-cutting and sustainable approaches to be incorporated into the individual enterprise operations;
- Financing for innovation activities in the form of sub-grants co-financed ordinarily at 50% (minimum of 25%).

Expected results:

In line with the objectives in Section 4.1, the following results are expected

- Pilot and exemplar sector specific innovation support initiatives and activities which, by demonstrating success, will promote new methodological approaches for strategic sector support that will engender systemic change in the enterprise innovation ecosystem are implemented.
- Ensure that new and growing SMEs in high potential sectors can undertake, acquire, finance and build the innovative products, processes and capacity (high calibre technical and management skills) necessary to achieve and exploit competitive advantage in local and global markets.
- Provide access to the technical & research expertise, facilities, and commercialisation support necessary to promote and support sectoral innovation excellence together with appropriate innovation management and finance is improved;
- Create and/or expand quality business support and advisory services targeting new or growth, high potential enterprises or cluster development;
- Enhance international competitiveness, innovation potential, value chain activities and productivity of target sector SMEs through the provision of improved innovation development and business management services and promoting awareness of the advantages of such improvements;

A grants approval committee will be established for the sub-grants. It will consist of 5-7 members supported by a recording secretary and an independent auditor funded from the operating budget of the project and will include the team leader of the grant project and other private sector representatives as deemed necessary. The EU Delegation may participate as observer.

**(b) Eligibility conditions**

The lead applicants should be Jordanian registered private sector entities (but entities established outside Jordan, in an eligible country as defined by the European Neighbourhood Instrument, will also be admissible).

Co-applicants in such consortia could include a specific type of organisation such as: private sector and economic operators (e.g. incubators/accelerators, micro, small, medium enterprises (MSMEs) and large corporates, financial organisations or funds); public actors/operators and State Agencies that exist as legal entities in the field of innovation/research or provision of BDSs; academic or research Institutions; local and regional authority; international (inter-governmental) organisation, and, be effectively established in an eligible country as defined for the European Neighbourhood Instrument.

**(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 90%.

If full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100%. The essentiality of full funding will be justified by the Commission's authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.

**5.3.1.3 Grants: call for proposals. Lot 3: 'Open Innovation Facility' (direct management)**

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

Objectives:

The Open Innovation Facility would be a private sector "port-of-call" open to everybody looking to develop their ideas. It would be available to both new & existing enterprises, individual innovators, students, youth and women underpinned by the idea of openness, community and collaboration. The explicit mission of the Facility will be to foster innovation and creativity by promoting collaboration, sharing of knowledge and ideas, with a focus on impact. It would promote open innovation and private sector engagement and foster culture of innovation to unlock and exploit the innovative potential of Jordanian enterprise, academia and individuals, to solve old and emerging problems/opportunities in new ways.

#### Types of possible activities:

- Support for clients to develop, build, acquire and exploit commercially, innovative products or processes, and identify the partners necessary to compete as leaders in their sectors nationally and internationally.
- Access to a pool of quality and accredited local and international expertise to support both individual innovation projects and the establishment of the proposed support services;
- Acceleration support for new product development projects to commercialisation through licensing, start-ups (spin-offs & spinouts);
- Innovation audits for enterprises and assistance in identifying/providing innovation process management support and training;
- Access to innovation information and facilities, such as Maker/FabLabs, co-working space, training & event space, (incl. gender friendly facilities such as day-care facilities for children, etc.);
- Promotion of culture of innovation & entrepreneurship through strategic innovation communications activities, including, for example: ideation workshops, hackathons and start-up weekends, or innovation festival, access to innovation and market data, support innovation and entrepreneurship curricula and competitions in universities, awareness raising campaigns promoting innovative women, engaging successful local female entrepreneurs as ambassadors;
- Fostering connections and networks through which innovators and entrepreneurs and growth SMEs can access knowledge and information in the innovation, management development and mobility arenas,
- Access to innovation financing in the form of, for example, innovation vouchers, technology acquisition grants (licenses & equipment) and applied R&D sub-grants.
- Support to innovative women and other marginalised or disadvantage groups through specifically designed and focussed programmes that demonstrate their potential for development through innovation. Such initiatives could command better support or higher funding but as pilots must strive to evolve so as to merge with mainstream non-biased initiatives.

#### Expected results:

In line with the objectives in section 4.1, the following results are expected:

- Become the 'port of call' for any individual (particularly women and marginalised groups) enterprise or organisation looking to develop, implement or commercialise a new innovative product, process or service and through which innovators avail of excellent facilities and services, connect with local support organisations, accredited BDS providers, universities and applied research service facilities, financial intermediaries, angels and investors, access to international technology acquisition portals and partners;
- Establish or expand existing facilities, such as Maker/FabLabs, co-working space, training & event space, (incl. gender friendly facilities such as day-care facilities for children, etc.) that can provide real and virtual open access to innovation information, best practice and expertise;

- Foster a culture of innovation, entrepreneurship & collaborative development, networking and connections through various strategic innovation communications activities, events, awareness raising campaigns, etc.;
- Provide acceleration support for new product development projects to commercialisation through, start-ups spin-offs & spinouts or licensing to regional or international markets;
- Establish a unique facility that offers access to all aspects of innovation: information, access to service providers, IP, technology transfer, skills development, management development, partners locally and internationally;
- Establish a pool of quality and accredited, discipline expertise to support both individual innovation projects and the establishment of the proposed support services;
- Provide access to technical and financial resources and support in funding applications.

A grants approval committee will be established for the sub-grants. It will consist of 5-7 members supported by a recording secretary and an independent auditor funded from the operating budget of the project and will include the team leader of the grant project and other private sector representatives as deemed necessary. The EU Delegation may participate as observer.

**(b) Eligibility conditions**

The lead applicants should be Jordanian registered private sector entities (but entities established outside Jordan, in an eligible country as defined by the European Neighbourhood Instrument, will also be admissible).

Co-applicants in such consortia could include a specific type of organisation such as: private sector and economic operators (e.g. incubators/accelerators, micro, small, medium enterprises -MSMEs, and large corporates, financial organisations or funds); public actors/operators and State Agencies that exist as legal entities in the field of innovation/research or provision of BDSs; academic or research Institutions; local and regional authority; international (inter-governmental), and, be effectively established in an eligible country as defined for the European Neighbourhood Instrument.

**(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 90%.

If full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100%. The essentiality of full funding will be justified by the Commission's authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.



### 5.3.2 Procurement (direct management)

Subject in generic terms, if possible	Type (works, supplies, services)	Indicative number of contracts	Indicative trimester of launch of the procedure
TA – Programme co-ordination, M&E and communication	Services	1	Q1 2020 TBC
TA in support of the CfPs formulation	Services	1	Q2 2019 TBC

### 5.4 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 and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Article 9(2)(b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

### 5.5 Indicative budget

	<b>EU contribution (amount in EUR)</b>	<b>*Indicative third party contribution, in currency identified EUR</b>
5.4.1 Calls for proposal (direct management):		
5.4.1.1 Lot 1: Scalerator Growth Hub	6,650,000	740,000
5.4.1.2 Lot 2: Sector Centre of Excellence	4,000,000	450,000
5.4.1.3 Lot 3: Open Innovation Facility	7,300,000	810,000
5.4.2 Procurement (direct management)	1,200,000	N.A.
5.9 Evaluation	100,000	N.A.
5.10 Audit	150,000	N.A.

5.11 Communication and visibility	500,000	N.A.
Contingencies	100,000	N.A.
Totals	20,000,000	2,000,000

\* Direct third-party contribution shall be at least 10% for each lot. The final recipients of sub-grants contributions are not taken into account.

## **5.6 Organisational set-up and responsibilities**

The action will be supervised by a Programme Steering Committee (PSC), chaired by the Ministry of Planning and International Co-operation, consisting of members drawn from the main private sector organisations and representatives, team leaders of the three pilot projects, academia/research representatives, and state representatives including and the newly established National Innovation Centre and other public and private sector representatives as deemed necessary by the Steering Committee. The EU Delegation will participate as observer. The Technical Assistance can provide secretarial and co-ordination support to the Steering Committee. The PSC will provide an overall guidance as well as be a platform for exchange of best practices and guidance on sub-grants approval.

## **5.7 Performance monitoring and reporting**

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partners' responsibilities. To this aim, the implementing partners' shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

## **5.8 Evaluation**

Having regard to the importance and the nature of the action, continuous monitoring will be carried out for this action and its components via independent consultants contracted by the Commission.

The Commission shall inform the implementing partners at least one month in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project. The final evaluation should look into whether a scale-up programme is needed and beneficial and provide recommendations for scaling up or rolling forward of the pilot initiatives.

Indicatively, one contract for monitoring and evaluation services shall be concluded under a framework contract or procurement of services at the end of the Programme.

Apart from the final Programme evaluation provided for herewith, continues monitoring and evaluation activities will be an essential part of the TA contract tasks under section 5.3.2.

## **5.9 Audit**

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

Indicatively, 5 contracts for audit services shall be concluded under a framework contract in year 2 to 5 of the programme implementation.

## **5.10 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 at the start of implementation and supported with the budget indicated in section 5.5 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the action and the appropriate contractual obligations.

Communication and visibility will be foreseen in all three pilot activities, with the main communication and visibility measures implemented under the activity 3 (in order to promote the culture of innovation) and complemented by the overall programme communication support under the TA foreseen under 5.4.2.

## 6 APPENDIX - INITIAL LOGFRAME MATRIX (FOR PROJECT MODALITY)

The activities, the expected outputs and all the indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the action, no amendment being required to the financing Decision. When it is not possible to determine the outputs of an action at formulation stage, intermediary outcomes should be presented, and the outputs defined during inception of the overall programme and its components. The indicative logframe matrix will evolve during the lifetime of the action: new lines will be added for including the activities as well as new columns for intermediary targets (milestones) for the output and outcome indicators whenever it is relevant for monitoring and reporting purposes. Note also that indicators should be disaggregated by gender whenever relevant.

	Results chain	Indicators	Baselines (2017/2018)	Targets (by end of the programme)	Sources and means of verification	Assumptions
Overall objective: Impact	Contribute to positioning <b>private sector innovation</b> as the main driver of inclusive economic development and promoting systematic change and coherence in the enterprise and innovation ecosystem in Jordan	Level of Private sector engagement and investment in innovation activities demonstrated across the ecosystem promoting a systemic shift in stakeholder mind-set towards private sector led innovation. <sup>16</sup>	<b>Global Innovation Index 2017</b> <ul style="list-style-type: none"> <li>• Pillars 4, Score 32.3, Rank 116, (2016, 32, 115, 2015, 38.8, 118)</li> <li>• Pillar 5, Score 24.7, Rank 104 (2016, 21.5, 116, 2015, 32.8, 76)</li> <li>• Pillar 6, Score 19.3, Rank 79 (2016, 21.7, 86, 2015, 24, 83)</li> <li>• Pillar 7, Score 28.6, Rank 72 (2016 25.4, 78, 2015, 32.5. 69)</li> </ul> <b>Global Competitiveness Index 2017/18</b> <ul style="list-style-type: none"> <li>• Score 4, Rank45</li> </ul>	The positive trend in scores, the ranking and the rate of improvement increase overall by 2025	<b>GII</b> <a href="https://www.globalinnovationindex.org/">https://www.globalinnovationindex.org/</a>  <b>GCI</b> <a href="https://www.weforum.org/">https://www.weforum.org/</a>	

<sup>16</sup>Measured against improved scores in the Global Innovation Index (Ex-100) overall & particularly input pillars 4 Market Sophistication & 5 Business Sophistication and output pillars 6 Knowledge & Technology & 7 Creative Outputs.

			<b>Doing Business Report</b> • Pillar 11 Score 4.3 Pillar 12 Score 3.6		<b>DBR</b> <a href="http://www.doingbusiness.org/">http://www.doingbusiness.org/</a>	
<b>Specific objective(s): Outcome(s)</b>	SO1: enhance the <b>potential</b> of innovative Jordanian enterprises with high growth potential to <b>scale up</b> and contribute to the economic growth that will generate direct and indirect jobs;	Revenue & exports of the companies benefitting from support under the project	To be determined at the project start	Growth by at least 5% by 2025 (precise <b>target</b> to be elaborated at the programme start)	Ongoing annual surveys by projects and TA	Political, economic and social conditions in Jordan and the region remain stable, or at least do not deteriorate in a manner that compromises the achievement of programme objectives.
	SO2: increase <b>access</b> of SMEs, entrepreneurs and innovators, in specific high-growth potential sectors and clusters, to innovation inputs (technology transfer, knowledge, learning) and financing;	Volume of credit for expansion of the supported companies	To be determined at the project start	Increase in ease of getting credit by 5% by 2025	Six Monthly Project Progress Reports	Continued and consistent commitment of the Jordanian Government to promoting innovation as a driver of growth, where publicly led initiatives (e.g. the NCI) will complement private sector initiatives
	SO3: promote and strengthen the <b>culture</b> of innovation & entrepreneurship in the Jordanian ecosystem.	Number of programmes and initiatives in the ecosystem that support private sector innovation and innovative companies	To be determined at the project start	Increase by twenty new programmes	Ongoing Monitoring and Evaluation reports	Continued and consistent commitment of the Jordanian Government to promoting enabling business environment
		Number of companies, entrepreneurs and individuals in the ecosystem seeking support in innovating activities	Survey of existing support organisations at the start of programme	New Start-ups growing by 5% per annum by 2025		Successful donors-government policy dialogue on enabling business
		Awareness and confidence of entrepreneurs, potential entrepreneurs and companies about the innovation opportunities for personal and enterprise development	Online surveys conducted at project start by TA, Monitoring & Evaluation and each year during programme cycle	10% increase in total of individuals and enterprises seeking support in innovation		Improved public-private dialogue and consensus on the need to improve innovation and investment frameworks are initiated and maintained
<b>Outputs</b>	R1: Improved <b>scalability</b> of high potential enterprises	New jobs created by the supported companies and numbers of jobs sustained	0	XX <sup>17</sup> , at least 30% women	Project Progress Reports	National support organisations exist in Jordan to address SME support, entrepreneurship promotion, skills development, youth and employment at

<sup>17</sup> Precise targets to be established at the project start

		Number of companies receiving support in growth focused activities	0	XX		large
		Firm sales growth owing to new products and/or services supported by programme, disaggregated by product/service type (Percentage)	0	XX		Private sector applicants show commitment and willingness to develop capacities and pursue co-operation.  Regional, European and international innovation support organisations are motivated to join the applicant consortia; and  Adequate capacity and effective commitment of the grant applicants.
	<b>R2: Improved and sustainable access to quality innovation support infrastructure, facilities, financing and services</b>	Number of supported businesses introducing a new product/service to the market	0	XX	Project Progress Reports	
		Number of joint-ventures between the research community and private sector as a result of innovation vouchers	0	XX		
		Firm sales from new products and/or services supported by programme, disaggregated by product/service type (Percentage)	0	XX		
		New jobs created by the supported SMEs and numbers of jobs sustained	0	XX, at least 30 % women		

	<p>-----</p> <p><b>R3: Innovation and entrepreneurial culture</b> is promoted, through pilot initiatives and communication actions, to support the innovation lifecycle from ideation to international growth exploitation.</p>	<p>-----</p> <p>New jobs created by the supported companies and numbers of jobs sustained</p> <p>Firms or individuals that utilise business development services supported by intervention</p> <p>Number of beneficiaries and programme initiatives participants disaggregated by gender</p> <p>Number of new registered business start-ups supported by the programme</p> <p>Number of joint-ventures between the research community and private sector as a result of innovation vouchers</p>	<p>-----</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p>	<p>-----</p> <p>XX, at least 30% women</p> <p>XX, at least 30% women</p> <p>XX, at least 30% women</p> <p>XX</p> <p>XX</p>	<p>-----</p> <p>Project Progress Reports</p>	
--	---	---	---	--	--	--





**ANNEX 2**

of the Commission Implementing Decision on the annual action programme (**Part 2**)<sup>1</sup>  
in favour of the Hashemite Kingdom of Jordan for 2018

**EU support to Integrated Border Management in Jordan**

<b>1. Title/basic act/ CRIS number</b>	EU support to Integrated Border Management in Jordan, CRIS number: 2018 / 041-404 financed under the European Neighbourhood Instrument			
<b>2. Zone benefiting from the action/location</b>	The Hashemite Kingdom of Jordan			
<b>3. Programming document</b>	Annual Action Programme 2018 / Single Support Framework 2017-2020			
<b>4. Sector of concentration/ thematic area</b>	Single Support Framework 2017-2020, 3rd Focal sector "Upgrading border management and preventing violent extremism"	DEV. Aid: YES		
<b>5. Amounts concerned</b>	Total estimated cost: EUR 11,000,000 Total amount of Union budget contribution EUR 11,000,000			
<b>6. Aid modality(ies) and implementation modality(ies)</b>	<b>Project Modality</b>  <b>Indirect management</b> with International Organisations: International Centre for Migration Policy Development (ICMPD) and United Nations Office on Drugs and Crime (UNODC)			
<b>7 a) DAC code(s)</b>	15130 - Legal and judicial development (border management) 33120 - Trade facilitation			
<b>b) Main delivery channels</b>	40000 – Multilateral Organisations			
<b>8. Markers (from CRIS DAC form)</b>	<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>

<sup>1</sup> The annual action programme in favour of the Hashemite Kingdom of Jordan for 2018 (Part 1) ref. C(2017)8533 adopted on 8.12.2017.

	Participation development/good governance	<input type="checkbox"/>	X	<input type="checkbox"/>
	Aid to environment	X	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality (including Women In Development)	<input type="checkbox"/>	X	<input type="checkbox"/>
	Trade Development	<input type="checkbox"/>	<input type="checkbox"/>	X
	Reproductive, Maternal, New born and child health	X	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
	Biological diversity	X	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	X	<input type="checkbox"/>	<input type="checkbox"/>
<b>9. Global Public Goods and Challenges (GPGC) thematic flagships</b>	N/A			
<b>10. Sustainable Development Goals (SDGs)</b>	Main SDG Goals: 16  Develop effective, accountable and transparent institutions at all levels  Secondary SDG Goal: 8			

## SUMMARY

The EU-Jordan Single Support Framework 2017-2020 includes the cooperation in upgrading border management and preventing violent extremism, as well as the support to the country's macro-economic stability and enhancing social and economic development. The action will tackle both of these strategic priorities by supporting the creation of a national system of integrated border management (IBM).

The **main objective** of the project is "to contribute to the development of the long-term capability of Jordan to control and manage its borders and to ensure greater security for citizens and visitors, while guaranteeing the respect for the rule of law and human rights standards". It will be structured around **three interlinked complementary pillars**:

1. To support the development of an integrated approach to border management;
2. To enhance capacities to fight transnational crime;
3. To strengthen trade facilitation practices and measures.

The main stakeholders will be the agencies operating at the borders, such as the Borders and Residence Department of the law enforcement directorates, Customs, Intelligence and the Army. Each of these agencies has specific competences and the situation at each border is different, ranging from a purely civilian to a military approach depending on the level of the security threats. This makes the use of modular and integrated border management tools even more relevant and appropriate.

## 1. CONTEXT

### 1.1 Sector/Country/Regional context/Thematic area

Jordan is facing regional and national threats that have the potential to undermine its domestic stability. The Syrian refugee population (666,596 refugees registered with the United Nations High Commissioner for Refugees (UNHCR) as of June 2018) continues to put strains on the economy and on the social fabric of the country. In 2015 and 2016 there were a number of terrorist attacks and counter terrorist operations inside the Kingdom and the Syrian and Iraqi crises have caused a series of security and economic challenges, particularly those of illicit trafficking (human trafficking, trafficking in arms and explosives, drugs, cultural property, chemical, biological, radiological and nuclear (CBRN) challenges.) and foreign terrorist fighters (FTFs).

Estimates indicate that the Islamic State of Iraq and Syria (ISIS) and other groups have between 9,000 to 10,000 Jordanian supporters and the number of recruits among juveniles has been increasing. Among these – according to prudential estimations - 2,000 to 2,500 individuals left to fight in Syria, mainly through third countries. This situation constitutes a security challenge when those individuals decide to return.

Jordan's **geographic location makes it primarily a transit point** for licit and illicit commodities destined to neighbouring consuming markets. Due to its geographical position the country is a gateway for individuals and commodities to and from conflict zones. With the increasing pressure on Turkey to close its borders, leaving militants and smugglers in Syria and Iraq with fewer alternatives it can be expected a rise in the number of attempts from Foreign terrorist fighters to pass through Jordan back to the country of origin or to new conflict zones. In the past years it emerged as a transit country for illicit drugs, such as Afghan heroin and marijuana, captagon<sup>2</sup> trafficking from Syria. A large number of cultural goods looted from archaeological sites in Iraq and Syria allegedly end up in antiquities markets in Jordan, where they are being sold to tourists, this in spite of all efforts on the Jordanian side with UNESCO and other relevant agencies to curb this activity. Moreover, the country reported an increase in seizures of counterfeit products, dual-use goods, wildlife and other criminally-driven profit commodities and contraband, such as cigarettes. In light of the security threats posed, there are also concerns over chemical, biological, radiological and nuclear (CBRN) agents and over weapons of mass destruction (WMD).

Security threats have a **direct and relevant impact on an already difficult economic situation**. Fearing threats of further geographical extension of terrorist groups, the only crossing point to Iraq was closed shortly after the Iraqi border province of Anbar had fallen

---

<sup>2</sup> brand name of a group of drugs known as Fenethylamine common in the middle-east.

under ISIS/Da'esh control in 2014. While the cut-off of one of the most important commercial routes of the Mashreq region, linking Aqaba seaport to Baghdad, prevented the terrorist organisation from punitive taxation and confiscation, the closure of the Karameh crossing point resulted in a drastic loss of revenues for the country, with exports to Iraq standing at USD 497.56 million in 2016 compared to USD 1.16 billion in 2014. There are no reliable statistics on the economic impact of the closure of the border crossing points with Syria, but it has indeed produced significant harm to the country's trade and economic growth.

With more than 450 km of borders with war-torn neighbours and more than one million refugees on the ground, the authorities are currently under enormous pressure to further strengthen their borders and improve skills to protect the country against smugglers, militants and other destabilising elements while at the same time enhance commerce and exports contributing to an already stressed economic situation.

In parallel, the pressure on authorities to respond to these challenges carries with it the risk that in doing so, the rights of people on the move crossing Jordan's borders may be placed at risk, or that opportunities for identifying and protecting at-risk groups may be missed by the authorities responsible for upholding human rights standards. This balancing act between protecting rights and securing borders is particularly apparent at the Jordanian-Syrian border, which was closed following a terrorist attack on the border crossing in Rukban, where seven Jordanian security servicemen were killed in June 2016. Border authorities allowed limited, and for a certain period of time, no humanitarian aid deliveries to Syrians stranded in unorganised camps along the border known as the "Berm".

Jordan has land borders with Iraq, Israel, Saudi Arabia and Syria, and **each one has its own set up and specificity**, making a 'one-size-fits-all' approach to border management unrealistic and counterproductive, a reality that the modular nature of Integrated Border Management (IBM) can adapt to.

- The **Iraqi land border** is 185 km long and the entire border area is desert. The northern three-quarters are flat, whilst there are low hills to the south. The border crossing point at Al Karameh is the most important, potentially allowing for the movement of a significant number of passengers and a significant quantity of goods. It is currently subject to a normalisation process whereby the civilian authorities are preparing to restart their normal activities of handling of goods. The reopening is important for the economic growth of the country.
- The **Syria frontier** is 378 km long, with 339 km on land and 39 km on the Yarmouk River. The Israeli Army occupies Syrian territory north of the Yarmouk River in the Golan Heights. The river east of the Al-Hammah railway bridge, nevertheless, is considered a segment of the Jordan-Syria international border. Currently it is a military zone whereby the blue border crossing points are closed and the challenge consists in a security/humanitarian approach on the one hand and in the preparation to the possible reopening of an existing border post or the creation of a new border post.
- After 1994 and the signing of the **Jordan-Israel peace treaty**, the Jordan and Yarmouk rivers, Dead Sea, Emek Ha'arva/Wadi Araba and Gulf of Aqaba were officially designated as the borders between Jordan and Israel, and between Jordan and territory occupied by Israel in 1967. The Jordan-Israel border is marked by a fence with sensors on the Israeli side. Border traffic for the movement of persons and goods is handled by the civilian authorities with a stronger presence of the intelligence services.

- The **land border with Saudi Arabia** has no significant security concerns, besides heavy flows of contraband and illicit goods (notably drugs). It is managed in a relatively fluid manner as nationals of these countries do not require a prior visa to enter and/or may obtain it at the border. Cross border cooperation can be optimised and considered as an achievable objective.
- The **sea border (Aqaba)** received already a significant amount of capacity-building support aiming at a fluent and timely handling of goods through a common understanding of the security risks and an integrated approach among the competent security departments. The same applies for the **International Airport (QAIA)**, which is handling an important and increasing number of passengers and cargo. The attention for the two other civilian airports (i.e. Aqaba and Marka) has still to be enhanced.

### ***1.1.1 Public Policy Assessment and EU Policy Framework***

The *EU-Jordan Partnership Priorities*<sup>3</sup> (2016-2018) include as key topics a) strengthening cooperation on regional stability and security, b) promoting economic stability and c) strengthening democratic governance, the rule of law and human rights. Maintaining stability and security along its borders is a priority for Jordan, and the *EU-Jordan Compact*<sup>4</sup> reflects the ambition to strengthen cooperation in the fight against terrorism and the prevention of radicalisation and violent extremism, whilst at the same time sustaining an environment ensuring access and protection to asylum seekers in need. At the *EU-Jordan Counter Terrorism/Enhanced Security* workshop (March 2016), there was a joint agreement to focus the support in the domain of border management, including IBM and aviation security. This agreement was confirmed during the security cluster subcommittee in February 2018.

The Single Support Framework for Jordan (2017-2020)<sup>5</sup> spot-lights as a focal sector intensified cooperation between the EU and Jordan in the security field and in the regional perspective.

The country does not have a formal comprehensive policy approach to border management and each one of the agencies responsible for border management has its own strategy and operating procedures from which emanates the factual interagency cooperation. One of the objectives of the action will be to integrate these methodologies and harmonise the procedure into an integrated approach. The different situation at each of the above-mentioned borders implies that the action will have apart from a civilian also a civilian-military approach. Policies related to civilian actors, even if in a fragmented way, are available. Particularly relevant is the new **Customs strategy (2017-2020)** containing a number of projects, which are expected to facilitate trade. Jordan Customs is also strengthening efficiencies within its National Single Window (NSW) system, with the objective of minimising the time release of goods from 12 days to 3 days. Moreover, Jordan is committed to replace paper and human-

<sup>3</sup> Council Decision (EU) 2016/2310 of 17 October 2016 on the position to be taken on behalf of the European Union within the Association Council set up by the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Hashemite Kingdom of Jordan, of the other part, as regards the adoption of EU-Jordan Partnership Priorities, including the Compact

<sup>4</sup> idem

<sup>5</sup> Commission Decision on the adoption of a single support Framework for EU support to Jordan decision for the period 2017-2020. Decision C(2017)7350 adopted on 9.11.2017

based transactions with paperless processes. However, the new customs law is still pending approval from Parliament.

Also of specific relevance for the action, is the legal framework on anti-trafficking, primarily based on the Anti-Trafficking in Persons Act (2009) aimed to eradicate trafficking in persons. The **National Anti-Trafficking Strategy (2010-2012)**, which is still in use despite having been designed for the period 2010-2012, further contributes to strengthening the anti-trafficking framework and will soon be replaced by an updated strategy, developed with EU support, accompanied by an action plan and standard operating procedures (SOPs) for the identification and referral of victims of trafficking. The action shall support Jordan's border agencies to align their policy approach with this newly-developed framework.

All these elements are in line with, amongst others, the *EU-Jordan Mobility Partnership*, which aims to develop strengthened dialogue and cooperation on migration, mobility and security under the umbrella of *promoting border management, preventing and combating irregular migration*.

### ***1.1.2 Stakeholder analysis***

The stakeholders can be divided into two groups: **rights holders** and **duty bearers**. The latter are:

**Borders and Residence Department (BRD)** will be the main stakeholder of the proposed action. It is a specialist agency within the **Public Security Directorate (PSD)**, established in 1973 and currently employing more than 2,000 personnel.

Under its mandate, the BRD performs the following main duties:

- ✓ Enforcement of laws and regulations governing arrivals and departures to and from Jordan and supervising land, sea and air border crossing points (BCPs), including conducting border checks;
- ✓ Supervision and coordination to provide services for arriving and departing passengers through the border control posts;
- ✓ Issuing annual residences and providing a temporary residency in accordance with the legislation;
- ✓ Preventing departure of any wanted person by the judiciary and arrest him/her to take the right actions;
- ✓ Controlling the foreign violators of legal residence and work in coordination with other institutions and departments of the police;

During 2017, the BRD served more than 11 million passengers and issued 203,583 annual residence and 77,052 temporary residency permits.

The BRD is directly subject to the Ministry of Interior's regulations in terms of employees, laws, and instructions, which are applicable to all public security forces. The European Union delegation to Syria has an ongoing dialogue with the BRD in the framework of a Twinning project lead by Lithuania and Finland for the improvement of the department's human resources management. Even though the activities started only in December 2017, the service has proven a responsive partner with the capacities to further absorb support and technical assistance.

The **Customs**, which in recent years have increasingly expanded their role in border management, from simply collecting revenues to supporting the national economy, promoting investment, facilitating trade, combating smuggling, protecting society/environment from hazardous materials and controlling movement of passengers, goods and vehicles at BCPs. The Customs is mandated to regulate the entry, exit and transit of goods, to issue clearance for and collect duties and taxes of goods pursuant to their jurisdiction. The agency is also responsible for combating smuggling of goods, illegal activities and entry of prohibited goods, including drugs, weapons, chemical precursors and dual-use items, as well as goods that need special licenses from competent authorities. According to the provisions of the Customs Law, Customs Officers are legally empowered to impose customs control on air, land and sea border crossings, as well as to screen goods and transport means, inspect and get aboard ships, request and review required documents, and organize seized goods for this purpose. In addition, it is the designated administrative office overseeing all civilian entities at border crossings. The Customs is a primary beneficiary of the Container Control Programme (CCP) from UNODC and is also an important player in the dual use goods project from the EU Centre of Excellence CBRN programme.

The **General Intelligence Department (GID)** is the intelligence agency of the Hashemite Kingdom of Jordan and contributes to the safeguarding of the Kingdom. GID is reportedly one of the most professional intelligence agencies in the Middle East and has historically foiled several terrorist attacks in Jordan and around the world. GID is tasked with the supervision to national security (including through a consistent support to the control of persons at borders) through the provision of intelligence/risk analysis and technical assistance. At Jordan's airports, the Department has a significant role in border checks.

The **Jordanian Armed Forces (JAF)** has as its Supreme Commander the King (Article 32 of the Constitution). In border management terms, the JAF is officially tasked with the responsibility for land border surveillance mainly through its Department for Military Security (DMS). The Airport Safety and Security Unit under the Armed Forces oversees the general airport security and protects the airport surrounding, terminal entrance, as well as internal checkpoints. Until to date the Jordan Armed Forces are also providing the management of the National Centre for Security and Crisis Management.

The **Counter-Trafficking Unit (CTU)**, within the Public Security Directorate, is the specialised government unit responsible for identification of potential and actual victims of trafficking. The CTU is the coordination unit that manages referral of potential victims to either civil society or government-run shelters for victims, and it represents the key link between border agencies and the centralised anti-trafficking identification, protection and prosecution processes in Jordan.

The **National Centre for Human Rights (NCHR)** is the national human rights institution of Jordan. The NCHR is mandated by the law with monitoring of Jordan's compliance with its international human rights obligations and receiving complaints of human rights violations, including against the PSD, the GID or the gendarmerie. It also publishes an annual report on human rights in Jordan. A high committee chaired by the Ministry of Justice is tasked to analyse NCHR recommendation.

The **private sector** (airline companies, carriers, freight forwarders, customs brokers etc.) plays a key role in strengthening border control efforts. At ports and border crossings, law enforcement and private sector companies need to cooperate to greater effect and develop the mutual trust and understanding necessary to strengthen and protect passenger and trade flows.

**Civil society and local communities** are major stakeholders in the development and monitoring of IBM policies. Their role is currently limited by several factors mainly linked to regional instability and the geographical nature of the borders, which are often in the desert and in unpopulated areas.

The **rights holders** have been identified as:

**Migrants, Jordanian citizen's, and other people on the move** crossing Jordan's borders are the key rights holders addressed by the action. Key human rights principles relevant to this group include protection from any form of discrimination, access to assistance and protection from harm. In Jordan's context, groups at risk of rights violations include migrant workers, individuals seeking international protection, in particularly Syrians, women travelling alone, unaccompanied and separated children, and individuals with irregular legal status.

### **1.1.3 Priority areas for support/problem analysis**

The **major challenges** linked to border management are:

- Security and economic challenges linked to regional conflicts and their spill-over effects to Jordan (i.e. trafficking, influx of refugees, foreign terrorist fighters (FTF), terrorism related activities, closure of Border Crossing Points (BCPs).
- Border management is usually a non-military, non-combat task, falling inside the responsibility of civilian bodies (i.e. Law enforcement/and dedicated border guard services). Due to regional instability and the need to safeguard territorial sovereignty we are facing a more military oriented approach, which has led to a civilian-military dimension to border security in some locations.
- Lack of a coordinated and integrated approach, with vision and strategy, in favour of reactive and ad hoc measures, which are dictated by the constantly evolving security situation.
- Complicated border management procedures, which make difficult undertaking a definite distribution of tasks and coordination; especially during security threats.
- The level of information sharing and reporting between the different agencies tasked with border control.
- The security-led approach implies some limitations with respect to information sharing and cooperation with third countries and donors.
- The level of existing policy dialogue and of interconnection and interoperability between the different agencies.
- The capacity and effectiveness of border management.
- Infrastructures, which are often outdated and not in line with international standards.
- High turnover among border guards, also linked to harsh living conditions at the BCPs and outposts.
- Difficult balance in between security concerns and upholding/implementing international human rights standards and standardised rule of law procedures.
- The security led approach also limits the involvement of civil society/local communities in the development and monitoring of border management.



Further challenges, as also identified by the NCHR, include the level of application by border authorities of human rights principles as with regard to migrants, refugees and children. The identification of cases of trafficking in human beings in Jordan has increased significantly and consistently from 2009 to 2017, with transnational, cross-border trafficking being the most frequently identified type of trafficking. While interdiction of organised criminal groups and perpetrators is a priority, the identification and protection of victims and potential victims at BCPs remains a major challenge to safeguarding the rights of migrants.

Specific mention deserves the situation at **the civilian airports**, where the nexus security / economic growth is even stronger. The Queen Alia International Airport (QAIA) handles 84% of the nation's air cargo with more than 40 operators serving around 85 destinations around the globe. At the same time it is among the few airports offering air connectivity between conflict zones and the rest of the world. The increasing flow of passengers is posing a serious challenge to the law enforcement authorities to identify trans-national movements of suspicious passengers exploiting such air connectivity without impacting the smooth operations of a commercial airport.

Interagency coordination exists at airports. The Airport Security Committee, composed of all airport stakeholders, meets on a monthly basis to discuss updates, developments and challenges to airport security, and UNODC has supported the establishment of two inter-agency Units to focus on passengers and cargo flows. Jordan is preparing for the implementation of an API/PNR system (Advanced Passenger Information/Passenger Name Record) which will require technical assistance and legislative support.

Significant and specific challenges are also faced by the border management authorities at the **Port of Aqaba**. Located at a strategic location between Asia, Europe, and Africa, it plays a vital role in Jordan's economy. It is the country's only seaport, handling 78% of Jordan's exports and 65% of the country's imports. It also serves as an important transit port for onward shipment to Egypt, Iraq, Saudi Arabia and other Gulf countries. In light of its strategic importance, seizures in the areas of cigarettes, counterfeit medicine, intellectual property rights commodities; weapons, military equipment, IEDs, cocaine and amphetamine are made on a regular basis. Several international funded programmes are providing technical assistance and capacity building to the agencies operating at the port. Interagency coordination is being supported through the establishment of a joint Unit to profile containers with which the action will create synergies.

The **priority areas for support** can be summarised following the available sectoral strategies and will focus on strengthening synergies and streamlining procedures for integrated border management and fighting illicit trafficking and terrorist movements across borders. The proposed action will aim to push forward key activities, among which we could highlight:

- a) Improve and strengthen cooperation and coordination amongst stakeholders through a progressive introduction and adaptation of a tailor made Integrated Border Management (IBM);
- b) Provide a governance and rule of law compliant technical assistance to (i) enhance border policies, border management and control strategies, including a human rights based approach, (ii) strengthen tactical and operational capacities of frontline agencies (identification and interception), (iii) improve investigation technique capacities, as well as techniques to collect and analyse criminal information, to dismantle transnational criminal networks; and (iv) reinforce existing national coordination mechanisms and facilitate regional cooperation;

- c) Reinforce infrastructure capacities to further advance its border security mechanisms, whilst encouraging trade. Increase efficiency of customs in order to reduce costs for traders and increase the attractiveness of Jordan as an investment destination.

These priorities will aim to go towards a more proactive approach and techniques to border control, not just by securing official crossing points and regular border patrolling, but also providing advanced monitoring methods linked to data analysis and collection through enhanced coordination between border agencies and intelligence led investigations. Border management can be a driver of stability, security and long-term prosperity for the country, at the same time providing greater opportunities for operational cooperation with European border management counterparts.

## 2. RISKS AND ASSUMPTIONS

<b>Risks</b>	<b>Risk level (H/M/L)</b>	<b>Mitigating measures</b>
Political sensitivity of border issues which are often closely linked to security and sovereignty.	Moderate	Enhance the political dialogue through coordinated and regular meetings to strengthen policy consistency and understanding of sensitive topics.
High turnover of staff, both in management positions and among lower ranks.	High	Strengthen human resources management with a focus on units and positions rather than individuals, along with strengthening of in-house ability to deliver training and personal development needs (Training of Trainers). Coordination with the ongoing Twinning with the BRD.
Weak information sharing, coordination and communication within institutions.	High	Further support existing interagency Units, enhance intra-agency coordination as a pillar of IBM and develop effective communication methods and channels.
Procedures and responsibilities are different at each BCP, challenging a common and unified IBM approach.	Moderate	Modular approach tailored to each beneficiary with an emphasis on IBM Strategy development; design and delivery of the Action based on and anchored in the IBM approach.
Regional instability and related uncertainty regarding which BCP will be open and when (i.e. Syria).	Moderate	Close monitoring of the security situation and design of a flexible action to adapt to security developments.
Misuse of equipment in violation of human rights.	Low	Closely monitor and assess any supply request and its compliance with Development Assistance Committee Official Development Assistance criteria. Link supply of equipment to ad hoc

		capacity building and development of Standard Operating Procedures with a strong focus on human rights.
Compliance with human rights standards at BCPs is not always in line with international practices.	Moderate	Support the development of standard procedures and monitoring mechanisms to check on how HR are applied and respected. Establish gender-sensitive HR training.
<b>Assumptions</b>		
The political and security environment will remain sufficiently stable to undertake a structured and long-term commitment.		
The respective agencies collaborate effectively to achieve the objectives of the project.		
A steady commitment to and ownership of an IBM strategy development.		

### 3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

#### 3.1 Lessons learnt

The proposed action will not start from scratch but will build upon previous, ongoing and already defined future interventions of the international community at large and the European Union in particular in the field of trans-border movements.

The main relevant programmes are:

- Instrument contributing to Stability and Peace-short term funded project *Support to the Upgrading of Karameh BCP* (UNODC-International Organisation for Migration (IOM));
- *Capacity Building of Public Security Directorate/Borders & Residence Department*, a twinning project (Finland and Lithuania);
- *Project Estijab*, the installation of an i24/7 system at 13 Jordanian BCPs (Interpol);
- *Support to the Mobility partnership between the EU & the Hashemite Kingdom of Jordan* (JEMPAS), in particular the border management and anti-trafficking components (ICMPD);
- *EUROMED Migration IV* facilitating effective regional cooperation dialogue in migration and international protection-related issues, whilst also providing capacity-building (ICMPD);
- Container Control Programme, a UNODC - World Customs Organisation - Interpol joint global integrated border management initiative, at the seaport of Aqaba and Queen Alia international Airport;
- Aircop project (UNODC-Interpol- project) at Queen Alia International Airport;
- Euromed Police IV;
- Empact Firearms;
- Dual Use Project and more broadly the Chemical, Biological, Radiological and Nuclear (CBRN) Centres of Excellence Initiative.

Several general lessons can be summarised from these experiences, such as: (i) prioritising the need to maintain internal stability, there has been a tendency amongst bilateral donors to

concentrate efforts on strengthening the security forces with equipment and training to cater for their short-term needs, often confusing ‘stability’ with ‘security’, and **lacking a holistic approach to border management support**. The ‘man, train, equip’ paradigm can generate capacity, but may limit the extent of *capability integration* due to a lack of focus on the management systems required to maintain, sustain and institutionalise new equipment and practices.

(ii) There has been an emphasis among international donors on ‘**coordination**’, in the sense of **sharing information on their respective projects**, rather than ‘coherence’ in the sense of designing genuinely synergistic interventions or ‘collaboration’ which signifies deliberate joint implementation, driving at maximised common effect.

(iii) It is important to have thorough and proper **consultation, joint problem analysis and co-management with the stakeholders**; dialogue needs to be genuinely two-way and on very regular basis. Stakeholders are also the **rights holders** in the process, such as citizens, people on the move and migrants, therefore their participation and access to information will be factors in the success of this action.

By using uncontentious, conceptual and technical aspects of IBM as an entry point for its security-related and development cooperation, the EU has gradually developed an approach that builds trust, demonstrates credibility and creates a platform for longer-term institutional reform and tangible operational cooperation. A **relationship of mutual trust and professional respect is key** for the implementation of programmes aiming at provoking long-lasting changes in a complex sector.

Turning to IBM as a cooperation and development tool for EU assistance, many specific lessons learnt can be mentioned and are detailed in the *Thematic Global Evaluation of the European Union’s Support to Integrated Border Management & the Fight Against Organised Crime* (2013);

- There is need for a widespread, clear and harmonised understanding of the IBM concept, why it is needed and the benefits it brings.
- Support for the beneficiaries and implementing partners must come from the highest levels of national agency management and the EU, demonstrating unambiguous ownership of and ‘buy-in’ to the Action.
- Project activities need to be designed with local gaps and needs very much to the forefront.
- To be properly effective, the IBM approach has to be comprehensive and inclusive, involving all relevant stakeholders with responsibilities for border security, facilitation and protection as and when relevant.
- In order to foster a spirit of cooperation, break down inter-agency barriers, harmonise development and normalise/institutionalise the joined-up IBM approach, the action and its activities should be designed with as many joint (inter-agency and cross border) activities as possible.
- Use of international (and EU-supported) reference material such as the *Guidelines for IBM in European Commission External Cooperation*, the *EU Customs Blueprints* and the *UN Recommended Principles & Guidelines on Human Rights at International Borders*, provide tried and tested frameworks that allow design and development of the Action to retain the recognisable shape and principles of IBM.

The evaluation of the Airport Communication (AIRCOP) programme, conducted in 2016, showed as the Joint Airport Interdiction Task Forces established under the project have proven to support cooperation among law enforcement agencies, promote a common intelligence-based approach thereby optimizing the respective competencies and mandates of the agencies, and contribute to more effective border controls against organized crime and terrorism.

Under the Container Control Programme, a Port Control Unit (PCU) composed by officials from the customs, the anti-narcotics department, the general intelligence department, the public security department's special branch and the military security department was established at the Port of Aqaba. A similar Air Cargo Control Unit (ACCU) has been established at the QAIA. The creation of these units resulted in positive changes such as: senior management buy-in; sustainability of staff management and enhanced rotation policy; training tailored to specific needs; strengthen information sharing and inter-agency cooperation.

### **3.2 Complementarity, synergy and donor coordination**

The proposed action is complementary to the support already provided by the EU and other bilateral donors, to improve the structure and performance of the security system and its compliance with the rule of law taking also into account the nexus humanitarian aid/security, the nexus development/security and finally the nexus internal/external security.

Since 2011 the EU has allocated more than EUR 38 million to support the security sector, including with actions targeting border management and law enforcement agencies.

An informal donor coordination group specifically targeting border management has been activated by the Canadians and set the ground for dialogue and sharing of information among donors. On the Government level, The Ministry of Planning and International Co-operation (MoPIC) has been tasked to coordinate the action with the supervision of Ministry of Foreign Affairs (MoFA).

The proposed action aims at creating synergies with several programmes. The most obvious synergies and complementarities will be with the EU funded and IOM/UNODC implemented project to support the reopening of the Iraqi border at Karameh. This BCP could be utilised as a future pilot to develop an IBM approach and coordination among the agencies and the infrastructures and capacity building could be used to propose a one-stop / single window approach. The management of human resources at the BRD will benefit from the work and achievements of the ongoing Twinning project implemented by Lithuania and Finland.

It will also build on the outcomes of the *Support to the Mobility Partnership (JEMPAS)* project. Component 2 includes capacity building to support Jordan to address trafficking in human beings and develop a national strategy. The ongoing activities with several stakeholders from the Ministry of Interior (Counter Trafficking Unit, Public Security Directorate, Borders and Residency Department) in the field of anti-trafficking will be in their final phase and when relevant could be taken over by the action.

Synergies and complementarities will be enhanced with existing and planned regional programmes funded by the EU, such as Euromed Justice IV, Euromed Police IV, CT Mena, Cybersouth, EU4Borders and the EU Center of Excellence CBRN initiative.

Close cooperation with Embassies and projects of EU Member States, as well as with those of other countries and international organisations, will take place to avoid over-lap or omission. Tangible collaboration and genuine cooperation will be sought to underpin the messages of cooperation brought by IBM and to make best use of resources. The action will also involve as relevant the expertise of EU Member States' authorities and EU agencies (e.g. The European Union Agency for Law Enforcement Training - CEPOL, Europol, Eurojust, the European Border and Coast Guard Agency - EBCGA) in line with their respective mandates and expertise (in close cooperation with the Commission) with a view to ensuring sustainable cooperation with the Jordanian authorities,

Synergies are forecasted with the upcoming programme to *Support the Rule of Law*, especially for activities on human rights and rights of migrants, international legal cooperation and how to better link prosecutors to criminal investigations and seizure of trafficking proceedings.

### 3.3 Cross-cutting issues

Good governance and a rights-based approach will be at the core of the support given to the beneficiaries. The integration of gender perspective as well as attention to the public, in particular vulnerable groups, in the delivery of targeted services is relevant. In the area of migration and mobility, progress on the effective implementation of the different components of the *EU-Jordan Mobility Partnership* is a cross-cutting priority. A well-managed and sustainable framework for migration, which can also contribute to ensuring that persons can move regularly and more easily between Jordan and the EU, can foster human capital development and economic growth. Continued, sustainable development in-line with public expectation requires sustained efforts to target national resources towards making institutions and systems more effective in securing the rule of law, stronger accountability and professional standards (fighting corruption).

The action will aim at promoting, respecting and protecting **human rights**, through a human rights-based approach. After a review and mapping of ongoing initiatives in the country, specific activities will be implemented to increase the capacity of border agencies to uphold the rights of individuals crossing borders, to increase rights-holders' awareness and to identify and refer rights violations. It will be ensured that relevant officials and law enforcement officers are aware of human rights principles when dealing with actual and potential victims of trafficking, suspects and witnesses of crimes. Furthermore, the Jordanian National Centre for Human Rights (NCHR) will develop specific programmes with law enforcement agencies on human rights issues and will focus on the implementation of human rights conventions to which Jordan committed.

Understanding the **interrelationship between gender equality and roles, security threats and crime** is vital to the overall effectiveness of any response. The integration of a gender perspective involves being aware of the gender-related dimensions of any activity, which requires gender analysis, information and consultations with both women and men. Ultimately integrating a gender perspective will result in a more balanced and representative approach, thus a more effective response. While taking into account the political and cultural context, the proposed action will be based on UN Security Council Resolution 1325 and the following resolutions on Women, Peace and Security as well as on the Jordan National Action Plan, which was adopted and launched recently. Given the predominately male workforce, in particular amongst law enforcement services and criminal justice practitioners, the selection

of trainees and to some extent also direct beneficiaries may be outside of the implementers' control. However, recognising the important role that women play in the efforts to prevent, combat and eliminate drug trafficking, organised crime and terrorism, the following will be applied:

- On management policies and the development of standard operating procedures, the action will strongly encourage the appointment of women as members/team leaders, including by adding a paragraph on gender mainstreaming/balance in future Memorandum of Understandings;
- Encourage the appointment of female candidates for all training and mentoring activities, highlighting that both sexes should be represented during shifts throughout the day/night;
- Tools and manuals developed will include gender analysis and relevant gender-related guidance and responses, including web stories highlighting the diversified role of women;
- Collect sex-disaggregated data throughout the action.

#### **4. DESCRIPTION OF THE ACTION**

##### **4.1 Objectives/results**

The **overall objective** of the action is "to contribute to the development of the long-term capability of Jordan to control and manage its borders and to ensure greater security for citizens and visitors, while guaranteeing the respect for the rule of law and human rights standards".

The **specific objectives** (SOs) are to:

- SO1. support the development of an integrated approach to border management;
- SO2. enhance capacities to fight transnational crime;
- SO3. strengthen trade facilitation practices and measures.

The **key results** are:

- For SO1 a national border strategy is in place and implemented; selected border crossing points have improved procedures and equipment; border management agencies capacity to apply a rights-based approach is enhanced.
- For SO2 operational capacities of the agencies to fight cross border crime is strengthened also through improved analysis and strategies; national, regional and international cooperation is improved.
- For SO3 development of supply chain security and authorised economic operator systems; speed up clearance time guaranteeing security.

Interventions under this project are fully in line with the Partnership Priorities adopted by Jordan and the EU in December 2016 and will contribute to Sustainable Development Goal 16 of the 2030 Agenda: *'Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive*

*institutions at all levels’, in particular target 16.a ‘Strengthen relevant national institutions, including through international cooperation, for building capacity at all levels, in particular in developing countries, to prevent violence and combat terrorism and crime’.*

The intervention will be structured around the following outcomes and outputs:

### **SO1 To support the development of an integrated approach to border management**

#### **Outcome 1: Existing border policies are enhanced and aligned with the integrated border management concept.**

- Output 1.1: A national border strategy in line with integrated border management standards/models in place and ready for implementation
- Output 1.2: Border crossing points are identified and equipped with necessary operational equipment, IT tools, software and improved procedures
- Output 1.3: Jordanian border management agencies capacity to apply a rights-based approach to promote, respect and protect the human rights of citizens and migrants at borders is strengthened.

### **SO2 To enhance capacities to fight transnational crime**

#### **Outcome 2: Border management agencies capacitated to more effectively dismantle transnational criminal networks with an enhanced profiling and search of suspicious persons and cargo techniques.**

- Output 2.1: Operational capacities of Jordanian frontline agencies to detect transnational organized crime, cross-border illicit trafficking and terrorist movements are strengthened.
- Output 2.2: Border management agencies are trained on specialised investigation techniques to dismantle transnational criminal networks.
- Output 2.3: Border management agencies are trained on criminal information analysis and on building up proactive and reactive strategies.

#### **Outcome 3: Strong national and regional cooperation mechanisms in place to facilitate the implementation of new border management policies, in line with integrated border management concept.**

- Output 3.1: National information exchange and cooperation mechanisms are improved.
- Output 3.2: Operational regional/international cooperation is facilitated

### **SO3 To strengthen trade facilitation practices and measures**

#### **Outcome 4: Jordan’s legal border crossings and cross border trade are developed**

- Output 4.1: IBM workflows, completion and implementation of inter-agency blueprints are developed.



- Output 4.2: Supply chain security and Authorised Economic Operator (AEO) systems are developed, as means of speeding clearance times but ensuring the necessary level of border security.
- Output 4.3: IT solutions are developed to improve electronic communication between Headquarters and Border Crossing Points.

## **4.2 Main activities**

The action intends to build upon what has taken place in border management development (internally and externally driven) over recent years, where a good foundation will enable a) a more advanced level of technical input b) the improvement of inter-agency and international cooperation through a strategic and institutionalised approach.

The following type of indicative activities will be performed under each specific objective:

### **SO1 To support the development of an integrated approach to border management**

- Deliver introduction to IBM through interactive technical seminars, focussed on policies, practices and legislation;
- Conduct IBM gap and need analysis (GNA), including donor mapping and legal review;
- Support development of IBM Strategy and action plans;
- In coordination with civil society, delivery of border community awareness-raising campaigns to enhance public outreach;
- Development of IBM workflows, improving cooperation between border management agencies, with agencies of other ministries and private sector;
- Provide non-military equipment to strengthen the implementation of border management strategy;
- Enhance the existing vetting, oversight and anti-corruption procedures to boost transparency and rule of law.

### **SO2 To enhance capacities to fight transnational crime**

- Develop and deliver a training plan to build the capacity of frontline border management agencies;
- Provide non-military equipment to strengthen border management operations;
- Design of training on border security related areas.
- Enhance cooperation and information sharing at international level and promote an active participation in specialised international agencies (Interpol, Europol, EBCGA, World Customs Organisation, International Labour Organisation, etc.) and cooperation with EU agencies (Europol, EBCGA, CEPOL) ;
- Support to cross border and international legal cooperation, through the conducting of practical tests and live operations.

### **SO3 To strengthen trade facilitation practices and measures**

- Selection of a pilot BCP and setting up a trade facilitation pilot working group;
- Review of the present customs procedures, including trade irritants, at the pilot BCP and identification of potential improvements;
- Assistance to the Customs agency in improving the AEO system and supply chain security based on the updated (2018) SAFE AEO programme;
- Introduce simplified customs clearance procedures at BCP;
- Support Code of Conduct for customs trusted companies.
- IT working group identifies the optimal IT solution/software and link HQ and BCP (Customs clearance points);

### **4.3 Intervention logic**

The proposed action will build up on the ongoing efforts to support the strengthening of Government institutions active in the area of border management and their resilience to withstand internal and external pressures, and to reinforce the role that sound border management can play as a driver of stability, security, and long-term prosperity.

It will be structured in three interlinked pillars. The first one focusses on supporting the beneficiaries to develop an integrated approach to border management. This is a key component of the action and will start with needs assessment to develop the capacity building and technical assistance support for a national strategy. Support will also be envisaged to upgrade procedures and equipment at selected BCP. It will be crucial to integrate in this component rights based approach activities which should be embedded in the strategy and procedures. Creating consensus among all the stakeholders on the activities will be challenging considering the security led/silos approach which prevailed until now, therefore a modular and gradual strategy will be adopted engaging in the first stage mainly with the duty bearers, i.e. border agencies. At the same time consultation with rights holders, such as the private sector, local communities and migrants will start in order to identify activities to be implemented in the next stage.

The second pillar will focus on fighting cross border crime and enhancing international cooperation. Here the capacity building activities and supply of equipment will start with the development of a training plan and a needs assessment for the upgrade of the equipment. Finally the last pillar will target trade facilitation, focussing on the review of the existing customs procedures and development of enhanced ones, starting at one pilot BCP.

The three pillars are complementary and many activities will touch crosscutting issues, hence cannot successfully be implemented on their own. To achieve the foreseen results a timeframe of 48 months is forecasted.

The organisational structure to implement the action will comprise, apart from the establishment of a project Steering Committee, a Project Management Team (PMT) with an overall Team Leader responsible for co-ordination and shared support functions to each of the pillars with long-term technical experts as well as short-term experts for specific technical/policy areas. The PMT shall guarantee synergy between the three pillars, this being one of the key strength of the action. The PMT will be located at one of the stakeholder's premises in Amman.

Policy dialogue will be a key element for the action, especially in its first pillar and the implementation of an integrated approach. It will be pursued through the Steering Committee and will receive technical inputs by the implementers while the Ministry of Interior (MoI)/Law Enforcement Directorates, Customs, the General Intelligence Directorate (GID) and JAF will be the key players.

## 5. IMPLEMENTATION

### 5.1 Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country.

### 5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4.1 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Decision and the relevant contracts and agreements.

### 5.3 Implementation modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures<sup>6</sup>.

#### 5.3.1 Procurement (direct management)

Subject in generic terms, if possible	Type (works, supplies, services)	Indicative number of contracts	Indicative trimester of launch of the procedure
Communication and visibility	Services	1	3 <sup>rd</sup> Q 2019
Monitoring and evaluation	Services	2	4 <sup>th</sup> Q 2020
Audit	Services	1	2 <sup>nd</sup> Q 2022

<sup>6</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu) Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

### **5.3.2 Indirect management with the International Centre for Migration Policy Development**

A part of this action may be implemented in indirect management with the International Centre for Migration Policy Development (ICMPD) in accordance with Article 62 (1)(c) of Regulation (EU, Euratom) 2018/1046. This implementation entails technical assistance and capacity building on the integrated border management concept as well as activities and supply of equipment linked to trade facilitation. This implementation modality is justified because of ICMPD's experience in implementing programmes in Jordan with the Ministry of Interior and its technical expertise in the area of integrated border management with several projects ongoing in the MENA region, e.g. Lebanon and Tunisia.

The entrusted entity would carry out the following budget-implementation tasks: support the implementation of the first and fifth outcome, i.e. technical assistance on the establishment of a national IBM strategy; award the contracts and financial resources for the needs assessment and supply of equipment; capacity building on the human rights component; provide trainings, capacity building and equipment on trade facilitation related activities.

If negotiations with the above-mentioned entrusted entity fail, that part of this action may be implemented in indirect management with the UNODC. The implementation by this alternative entrusted entity would be justified because of UNODC's specific experiences in Jordan as implementer of several projects in the same field, including the Container Control Programme (CCP) and the EU funded support to the Karameh/Trebil BCP. The alternative entrusted entity would carry out the same budget-implementation tasks above-mentioned.

The entrusted international organisations are currently undergoing the ex-ante assessment in accordance with Article 154(3) of Regulation (EU, Euratom) No 2018/1046. The Commission's authorising officer responsible deems that, based on the compliance with the ex-ante assessment based on Regulation (EU, Euratom) No 1605/2002 and long-lasting problem-free cooperation, the international organisation[s] can be entrusted with budget-implementation tasks under indirect management.

### **5.3.3 Indirect management with the United Nations Office on Drugs and Crime**

A part of this action may be implemented in indirect management with the United Nations Office on Drugs and Crime (UNODC). in accordance with Article 62(1)(c) of Regulation (EU, Euratom) 2018/1046. This implementation entails capacity building and technical assistance activities on enhancing border management capacities to fight transnational crime as well as supply of equipment and activities linked to strengthen regional and international cooperation.

This implementation modality is justified because of UNODC specific experiences in Jordan as implementer of several projects in the same field, including the Container Control Programme (CCP) and the EU funded support to the Karameh/Trebil BCP.

The entrusted entity would carry out the following budget-implementation tasks necessary to achieve the results outlined in outcomes 2, 3 and 4, i.e.: capacity building and technical assistance on profiling and research of suspects for cargos and people on the move; award of

contracts and payments for the supply of equipment; provide the technical resources for enhancing international cooperation.

If negotiations with the above-mentioned entrusted entity fail, that part of this action may be implemented in indirect management with ICMPD. The implementation by this alternative entrusted entity would be justified because of ICMPD's experience with implementing projects in Jordan and specific knowledge of the sector with several IBM projects implemented in the MENA region. The alternative entrusted entity would carry out the same budget-implementation tasks above-mentioned

The entrusted international organisations are currently undergoing the ex-ante assessment in accordance with Article 154(3) of Regulation (EU, Euratom) 2018/1046. The Commission’s authorising officer responsible deems that, based on the compliance with the ex-ante assessment based on Regulation (EU, Euratom) No 1605/2002 and long-lasting problem-free cooperation, the international organisation[s] can be entrusted with budget-implementation tasks under indirect management.

**5.4 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 and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission’s authorising officer responsible may extend the geographical eligibility in accordance with Article 9(2)(b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

**5.5 Indicative budget**

	<b>EU contribution (EUR)</b>
5.3.2 and 5.3.3 – Indirect management with international organisations	10.000.000
5.8 – Evaluation, 5.9 - Audit	200.000
5.10 – Communication and visibility	300.000
Contingencies	500.000
<b>Totals</b>	<b>11.000.000</b>

**5.6 Organisational set-up and responsibilities**

In order to achieve its overall objective this 48 month intervention will be implemented with a project modality through indirect management with the ICMPD and the UNODC.

The Ministry of Planning and International Co-operation (MoPIC) is the signatory of the Financing Agreement and the project supervisor, with overall responsibility for co-ordination with the EU and stakeholders involved.

In order to ensure co-ordination between the action components and the numerous stakeholders, a project Steering Committee (SC) will be established to guide the implementation of the action. The SC will be chaired by The Ministry of Planning and International Co-operation and will include representatives from PSD, Customs, GID, JAF, other relevant beneficiary institutions, and the European Union as observer. The implementers will support the proper functioning of the SC and will attend if invited. Their role will include: preparation of the agenda, sending the invitations and follow up of the minutes. The SC will meet at least quarterly (and more often if specific problems or issues so require). Additional thematic technical working groups will be established under each component and include the implementing partners to ensure a closer coordination among the stakeholders as well – as appropriate – implementing partners from other EU funded projects operating in the field of border management.

Relevant civil society organisations and development partners will also be invited to the technical meetings where needed.

## **5.7 Performance monitoring and reporting**

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) or the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

## **5.8 Evaluation**

Having regard to the nature and importance of the action, a mid-term and final evaluation(s) will be carried out for this action or its components via independent consultants contracted by the Commission.

The mid-term evaluation will be carried out for problem solving and learning purposes, in particular with respect to the possibility to launch a second phase of the action.

The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the action is the first in the sector in Jordan.

The Commission shall inform the implementing partner at least 1 month in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities].

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Indicatively, two contracts for evaluation services shall be concluded under a framework contract in the last quarter of 2020.

## **5.9 Audit**

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

Indicatively, one contract for audit services shall be concluded under a framework contract in the second quarter 2022.

## **5.10 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 at the start of implementation and supported with the budget indicated in section 5.5 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the action and the appropriate contractual obligations.

## APPENDIX - INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY)

The activities, the expected outputs and all the indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the action, no amendment being required to the financing Decision. When it is not possible to determine the outputs of an action at formulation stage, intermediary outcomes should be presented and the outputs defined during inception of the overall programme and its components. The indicative logframe matrix will evolve during the lifetime of the action: new lines will be added for including the activities as well as new columns for intermediary targets (milestones) for the output and outcome indicators whenever it is relevant for monitoring and reporting purposes. Note also that indicators should be disaggregated by sex whenever relevant.

	Results chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
Overall objective (impact)	To contribute to the development of the long-term capability of Jordan to control and manage its borders, while guaranteeing the respect for the rule of law and human rights standards	Number and nature of incidents reported at the borders.  Increase in cross-borders trade flows.	The baseline is to be determined by the survey of current capacities, to be undertaken in the inception phase.  To be defined at inception phase	Survey of current capacities conducted at the end of the project.  Increase by X% in cross borders trade flows by the end of the project.	Survey and perception-based surveys at each event/meeting/workshop  Project update reports  National government reports, including Statistical Office (DSO) reports with data provided by relevant Ministries / Border Authorities / Law Enforcement Agencies	
SO1: To support the development of an integrated approach to border management	<b>Outcome 1:</b> Existing border policies are enhanced and aligned with the integrated border management concept.	<ul style="list-style-type: none"> <li>▪ Degree of implementation of a national IBM strategy;</li> <li>▪ Degree of efficiency of Communication mechanisms for IBM.</li> </ul>	<ul style="list-style-type: none"> <li>▪ To be defined in the inception report and gaps and needs assessment (early 2019);</li> <li>▪ Border assessment mission (prior to implementation) (early 2019).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Core IBM principles and practices are adopted.</li> </ul>	International organisations and Government reports.	<p>Political commitment.</p> <p>Willingness to share sensitive data/information among agencies.</p>
Outputs	<b>Output 1.1:</b> A national border strategy in line with integrated border management standards/models in place and ready for implementation	<ul style="list-style-type: none"> <li>▪ Number of National Steering Committee (NSC) in place, meeting regularly;</li> </ul>	<ul style="list-style-type: none"> <li>▪ To be defined in the inception report and gaps and needs assessment (early 2019)</li> </ul>	<ul style="list-style-type: none"> <li>▪ 1 NSC meeting by mid-2019 and then at least every 6 months;</li> </ul>	<p>MoU, minutes of meetings;</p> <p>MoU, minutes of meetings; Gaps and needs analysis report and recommendations;</p>	<p>Political commitment.</p> <p>Willingness to share sensitive data/information among agencies.</p>



	Results chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
		<ul style="list-style-type: none"> <li>▪ Number of Technical Committee (TC) in place, meeting regularly;</li> <li>▪ IBM strategy and action plans developed;</li> <li>▪ Number. of officials familiar with IBM;</li> <li>▪ Number of persons living in border regions reached out to become familiar with border policies;</li> <li>▪ Number of IBM workflows developed.</li> </ul>		<ul style="list-style-type: none"> <li>▪ TC meeting by mid-2019 and then at least quarterly.</li> <li>▪ 1 strategy and 1 action plan by mid-2019</li> </ul>	<p>Strategy document;</p> <p>International organisations reports and pre/post training questionnaires;</p> <p>Activity report on awareness-raising.</p>	
	<b>Output 1.2:</b> Border crossing points are identified and equipped with necessary operational equipment, IT tools, software and improved procedures	<ul style="list-style-type: none"> <li>▪ Number. of field missions identifying border crossing points;</li> <li>▪ Number and type of equipment provided;</li> <li>▪ Study on interconnectivity and interoperability of databases produced and available;</li> <li>▪ Number of BCPs with modernised physical infrastructure;</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2 (Aqaba in 2015, QAIA in 2016, and Karameh in 2018);</li> <li>▪ 4 inter-agency Units in place at borders (QAIA, Karameh and Aqaba plus one to be identified);</li> <li>▪ Equipment provided by UNODC at QAIA, Karameh and Aqaba;</li> <li>▪ 1 (Karameh, in 2019);</li> <li>▪ No revision of policies yet engaged.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All priority BCPs and key hub cities identified by mid-2019;</li> <li>▪ Units and inter-agency Units at borders have seamless workflows and clearance processes;</li> <li>▪ Increase in the efficiency of controls compared to study;</li> </ul>	<p>International organisations reports and reports/documents from the NSC;</p> <p>International organisations reports;</p> <p>MoUs or other inter-agency agreements/policies signed/enacted;</p> <p>Hand-over documents;</p> <p>Copy of study and recommendations;</p> <p>Architectural plans and handover documents.</p> <p>Official approvals of policies by</p>	<p>Political commitment.</p> <p>Willingness to share sensitive data/information among agencies.</p>

	Results chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
		<ul style="list-style-type: none"> <li>▪ Degree of conformity of internal oversight and integrity policies of the agencies.</li> <li>▪</li> </ul>		<ul style="list-style-type: none"> <li>▪ At least 2 BCPs with a modernised physical infrastructure (Karameh plus another to be identified)</li> <li>▪ all agencies supported by end of the project.</li> </ul>	Heads of agencies.	
	<b>Output 1.3:</b> Jordanian border management agencies capacity to apply a rights-based approach to promote, respect and protect the human rights of citizens and migrants at borders is strengthened.	<ul style="list-style-type: none"> <li>▪ Number of right's violations identified and referred for further assistance at Jordan's borders.</li> <li>▪ Perception of border management agencies application of a rights-based approach by stakeholders.</li> <li>▪ Existence of dedicated processes for screening for and referring rights violations at border crossing points (BCPs)</li> <li>▪ Feedback by specialised international and national observers on protection and promotion of migrants and refugee rights at borders.</li> </ul>	To be provided in the inception report and gaps and needs assessment, including border policy compliance with rights analysis, and in the communications baseline assessment	<p>Decrease by X% (TBD) in the number of right's violations identified at the BCP.</p> <p>Increase by X% (TBD) in the perception of border management agencies application of a rights-based approach by stakeholders</p> <p>Process for screening and referring rights violations at border crossing points (BCPs) are in place</p> <p>To be defined</p>	<ul style="list-style-type: none"> <li>• Application of screening and referral mechanisms</li> <li>• Workshop evaluation, feedback, reports.</li> <li>• External evaluation report of communications campaign</li> </ul>	<p>Willingness of beneficiaries to engage in project activities</p> <p>Relative stability of the political and security climate in Jordan</p>
SO2 To enhance capacities	Outcome 2: Border management agencies capacitated to more effectively dismantle	<ul style="list-style-type: none"> <li>▪ Number of seizures/arrests by each border management</li> </ul>	<ul style="list-style-type: none"> <li>▪ Will be determined at the beginning of the project based on the receipt of</li> </ul>	<ul style="list-style-type: none"> <li>▪ % Increase of annual seizures/arrests</li> </ul>	Annual reports and analyses by agencies;	Shifting effects in illicit trafficking flows to go around Jordan.

	Results chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
	transnational criminal networks with an enhanced profiling and search of suspicious persons and cargo techniques.	agency <ul style="list-style-type: none"> <li>Number of complex cases against transnational criminal groups</li> </ul>	previous annual operational results for each of the border agencies <ul style="list-style-type: none"> <li>Operational results reported in 2018.</li> </ul>	compared to baseline (year 2018). <ul style="list-style-type: none"> <li>% increase in the number of investigations on complex cases.</li> </ul>	Analyses by International organisations.	Non-rigorous application of training/equipment.
Outputs	Output 2.1: Operational capacities of Jordanian frontline agencies to detect transnational organized crime, cross-border illicit trafficking and terrorist movements are strengthened.	<ul style="list-style-type: none"> <li>Training plan developed;</li> <li>Number of officials (M/F) per topic trained and indicating operational use of training;</li> <li>Number and type of equipment procured.</li> </ul>	<ul style="list-style-type: none"> <li>3 (2 CCP 2015, 2016 &amp; ongoing update/expansion, and 1 for JAITF QAIA in 2017);</li> <li>136 (60 (1 woman) under CCP 2015-18 &amp; 76 under AIRCOP 2017-2018);</li> <li>3 inter-agency Units office, search and inspection tools;</li> </ul>	<ul style="list-style-type: none"> <li>1 for land borders by mid-2019</li> <li>500 by 2021</li> <li>Equipment provided to all operational staff at priority BCPs;</li> </ul>	<p>Copy of training plans;</p> <p>Attendance, pre/post training tests;</p> <p>Handover documents.</p>	<p>Trainees sent to training have the right profile and will stay in their positions during and after training.</p> <p>Timely procurement process.</p> <p>Equipment used for intended purposes.</p>
Outputs	Output 2.2: Border management agencies are trained on specialised investigation techniques to dismantle transnational criminal networks.	<ul style="list-style-type: none"> <li>Training plan developed and available for implementation;</li> <li>Nr. of officers (M/F) trained on specialised investigation techniques, indicating operational use of training;</li> <li>equipment procured disaggregated by type.</li> </ul>	<ul style="list-style-type: none"> <li>0</li> <li>0</li> <li>0</li> </ul>	<ul style="list-style-type: none"> <li>1 by 20XX (year TBD)</li> <li>to be defined at inception phase</li> <li>to be defined at inception phase</li> </ul>	<p>Copy of training plan;</p> <p>Attendance, pre/post training tests;</p> <p>Handover documents.</p>	<p>Trainees sent to training have the right profile and will stay in their positions during and after trainings.</p> <p>Timely procurement process.</p> <p>Equipment used for intended purposes.</p>
	Output 2.3: Border management agencies are trained on criminal	<ul style="list-style-type: none"> <li>Training plan developed and available for</li> </ul>	<ul style="list-style-type: none"> <li>0</li> </ul>	<ul style="list-style-type: none"> <li>1 by 2019</li> </ul>	<p>Copy of training plan;</p>	<p>Trainees sent to training have the right profile</p>

	Results chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
	information analysis and on building up proactive and reactive strategies.	<ul style="list-style-type: none"> <li>implementation;</li> <li>Nr. of officers (M/F) trained on criminal information analysis, indicating operational use of training;</li> <li>Nr. and type of software provided.</li> </ul>	<ul style="list-style-type: none"> <li>0</li> <li>0 licences</li> </ul>	<ul style="list-style-type: none"> <li>15 on theoretical intelligence analysis (ANACAPA) by 2020</li> <li>10 crime analysis software licences by 2020.</li> </ul>	<ul style="list-style-type: none"> <li>Pre/post training tests; Pass/fail tests;</li> <li>Handover documents.</li> </ul>	<ul style="list-style-type: none"> <li>and will stay in their positions during and after the training. Timely procurement process.</li> <li>Software used for intended purposes.</li> </ul>
Specific objective(s): Outcome(s)	<b>Outcome 3:</b> Strong national and regional cooperation mechanisms in place to facilitate the implementation of new border management policies, in line with integrated border management concept.	<ul style="list-style-type: none"> <li>Number of seizures/arrests per year per agency;</li> <li>Comparison of annual operational results for each agency.</li> </ul>	<ul style="list-style-type: none"> <li>Operational results mentioned in the 2018 activity reports</li> </ul>	<ul style="list-style-type: none"> <li>% increase in the number of seizures/arrests per year per agency;</li> </ul>	<ul style="list-style-type: none"> <li>Annual reports and analyses by agencies.</li> <li>Analyses by International organisations.</li> </ul>	<ul style="list-style-type: none"> <li>Trust among Jordanian agencies and foreign law enforcement agencies.</li> </ul>
Outputs Specific objective(s): Outcome(s) Outputs	Output 3.1: National information exchange and cooperation mechanisms are improved.	<ul style="list-style-type: none"> <li>Number of inter-agency meetings for (existing) teams at BCPs under previous projects.</li> </ul>	<ul style="list-style-type: none"> <li>3 sets of regular meetings under AIRCOP and CCP.</li> </ul>	<ul style="list-style-type: none"> <li>In addition to existing teams' meetings, regular exchanges at land BCPs.</li> </ul>	<ul style="list-style-type: none"> <li>Outcome of meetings.</li> </ul>	<ul style="list-style-type: none"> <li>Sufficient vertical and horizontal communication within institutions.</li> </ul>
	Output 3.2: Operational regional/international cooperation is facilitated.	<ul style="list-style-type: none"> <li>Nr. of bilateral and sub-regional meetings organised;</li> <li>Nr. of international joint operations organized;</li> </ul>	<ul style="list-style-type: none"> <li>0</li> <li>CCP and AIRCOP organized joint operations including the use of CENcomm and I-24/7 (2015-2019);</li> <li>CCP and AIRCOP</li> </ul>	<ul style="list-style-type: none"> <li>to be defined at inception phase</li> <li>At last 6 by 2021</li> </ul>	<ul style="list-style-type: none"> <li>Minutes/recommendations from national/international meetings;</li> <li>Press releases for international/national operations;</li> <li>Reports from existing inter-agency Units and annual reports</li> </ul>	<ul style="list-style-type: none"> <li>Political will to cooperate.</li> </ul>

	Results chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
		<ul style="list-style-type: none"> <li>▪ Nr. of specialised international meetings where Jordan is supported;</li> <li>▪ Nr. of joint trainings at international level;</li> <li>▪ Nr. of simulations/operations at national level;</li> <li>▪ Nr. of training on international legal cooperation.</li> </ul>	<ul style="list-style-type: none"> <li>sponsored Jordan participation to international events;</li> <li>▪ 2 for airports under AIRCOP;</li> <li>▪ 0</li> <li>▪ 0 (UNODC project on international cooperation to start in 2018).</li> </ul>	<ul style="list-style-type: none"> <li>▪ At least 3 by 2021</li> <li>▪ At least 4 by 2021</li> <li>▪ to be defined at inception phase</li> <li>▪ to be defined at inception phase</li> </ul>	from border management agencies.	
SO3 To strengthen trade facilitation practices and measures	Outcome 4: Jordan's legal border crossings and cross border trade are developed	<ul style="list-style-type: none"> <li>▪ Perception of the border agencies by key stakeholders</li> <li>▪ Feedback by national and international specialised agencies on level of efficiency and effectiveness of legal crossing into/ out of Jordan</li> <li>▪ Public perceptions on border agencies at the Border Crossing Point (BCP) level</li> <li>▪ The speed of clearances at BCP level (effectiveness/speed of</li> </ul>	<ul style="list-style-type: none"> <li>▪ To be defined in the inception report and gaps and needs assessment, and</li> <li>▪ Border assessment mission (prior to implementation)</li> <li>▪ Equipment and training needs assessment</li> <li>▪</li> </ul>	<p><u>2019 - 2021:</u></p> <ul style="list-style-type: none"> <li>▪ Substantial increase in positive perception by stakeholders.</li> <li>▪ At least 20% increase in efficiency at BCP for clearing goods/people</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training delivery report</li> <li>• Equipment delivery report</li> <li>• Government and independent experts' evaluation reports</li> </ul>	<p>Willingness of beneficiaries to engage in project activities</p> <p>Relative stability of the political and security climate in Jordan</p>

	Results chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
		<p>passage of people and goods)</p> <ul style="list-style-type: none"> <li>▪ Application of SOPs</li> </ul>				
	<p>Output 4.1: IBM workflows, completion and implementation of inter-agency blueprints are developed.</p>	<ul style="list-style-type: none"> <li>▪ Number of (or frequency of) conflicts over roles amongst border agencies</li> <li>▪ Number and frequency of joint initiatives and exercises among border agencies</li> </ul>	<p>(2019-2021):</p> <p>-To be set in the Inception period in the gap and needs assessment report and border assessment mission (prior to implementation)</p>	<p>(2019-2021):</p> <p>X Nr. of workflows and agency blueprints developed and X Nr of trade partnerships created (TBD)</p>	<ul style="list-style-type: none"> <li>• Mission reports</li> <li>Mapping &amp; assessment reports</li> <li>• Formal nomination and selection of trainees</li> <li>• Documentation provided to partners</li> <li>• Formulation, discussion, and endorsement of SOPs</li> <li>• Assessment of the level and quality of Jordanian participation in activities</li> <li>• Feedback on Jordanian participation from experts and international stakeholders</li> <li>• Provision of technical support (i.e. delivery of equipment, infrastructural) handover protocols</li> <li>• Assessment reports</li> <li>• Participant lists for trainings, workshops, seminars, study visits</li> </ul>	<p>Willingness of beneficiaries to engage in project activities</p> <p>Relative stability of the political and security climate in Jordan</p>
	<p>Output 4.2: Supply chain security and Authorised Economic Operator (AEO) systems are developed, as means of speeding clearance times but ensuring the necessary level of border security.</p>	<ul style="list-style-type: none"> <li>▪ Level of cooperation between border agencies and AEOs</li> <li>▪ The speed of clearances at BCP level (effectiveness/speed of passage of people and goods)</li> </ul>	<p>-No relevant AEO systems, -Limited reliable IT solutions for HQ and BCP communication exist</p>	<p>Reliable IT solution introduced in all BCPs and HQs</p>		
	<p>Output 4.3: IT solutions are developed to improve electronic communication between Headquarters and Border Crossing Points.</p>	<ul style="list-style-type: none"> <li>▪ Reliance on e-solutions to process clearances, and less dependency on paper-based solutions</li> </ul>				

