

*EU Regional Trust Fund in Response to the Syrian Crisis, the 'Madad Fund'*

**Action Document for Budget Support to the Ministry of Education to deal with the Syrian refugee crisis**

**1 IDENTIFICATION**

Title/Number	Budget Support to the Ministry of Education to deal with the Syrian refugee crisis		
Total cost	Total amount of EU budget contribution of EUR 20 million <sup>1</sup>		
<b>Budget support</b>			
Aid method / Management mode and type of financing	Direct management Sector Reform Contract		
Type of aid code	A02 – Sector Budget Support	Markers 11120, 11130, 11220, 11320	BSAR
DAC-code	51010 – General Budget Support	Sector education	Education 11200
<b>Complementary support</b>			
Aid method / Management mode and type of financing	Direct management – Grants- call for proposals Project approach - procurement of services		
DAC-code	11120, 11130, 11220, 11320	Sector	Education

**2 RATIONALE AND COUNTRY CONTEXT**

**2.1 Summary of the action**

The overall objective of the action is to assist the Government of Jordan (GoJ) to deliver on its part of the Jordan Education Compact which aimed to increase the

<sup>1</sup> It should be noted that the amount available under the current Madad trust fund is EUR 20 million, which is aimed to support the Government on its promise during the London pledging conference on 4 February 2016 to significantly increase the intake of Syrian and other refugee children with an additional 50,000 for the school year 2016-2017. In future rounds under the Madad fund additional support will be made available to Syrian children to contribute to the school years 2017-2018 and beyond.

intake of Syrian and other refugee children with an additional 50,000 for the school year 2016-2017. This was presented at the London pledging conference on 4 February 2016. It aims to increase significantly in delivering quality education from the current 140,000 Syrian children to 190,000 children in public schools<sup>2</sup>. The ongoing Budget Support programme to the Jordan Ministry of Education to deal with the Syrian refugee crisis totals EUR 55 million, including EUR 2 million of Technical Assistance, and covers the school years 2015-2016 and 2016-2017<sup>3</sup> and covers 140,000 children served in single shift, double shift and camp schools. Specifically, this programme aims at enhancing the capacity of primary and secondary education institutions in refugees' camps and host communities. In February 2016 there are some 224,500 Syrian refugee children in the age group of 6 to 18, and around 63% of the children currently go to school in schools in host communities or in camp schools. Separately there are around 13,500 Iraqi refugee children<sup>4</sup> which are partly in Church schools. The new intervention would increase the figure of Syrian school going children to 85% which is significant. The newly proposed budget support programme, financed under the EU Trust Fund in response to the Syrian Crisis (henceforth, the Madad) aims to capitalize on and enhance the achievements of the previous budget support programme and guarantee resources through opening an additional 102 fully operational double shift schools to cater for the needs of 50,000 Syrian and other refugee children as requested by the Government, see table 1.

Table 1<sup>5</sup> - Cost estimate by the Ministry of Education to host 190,000 children

Summary Cost for Syrian refugees students in host communities, Camps and double shift schools estimated for the year 2016/2017 with additional 100 schools to accommodate 50,000 students					
Item	Host Communities	Camps	Double shift	Additional 100 schools	Total
Tuition fees	2,722,600.00	1,057,280.00	2,057,900.00	2,035,263.00	7,873,043.00
Cost of textbooks	1,872,640.00	735,456.00	1,424,640.00	1,408,969.00	5,441,705.00
Schools Operational Costs (water, electricity and fuel)	3,320,300.00	1,310,000.00	2,532,650.00	3,005,749.00	10,168,699.00
Teachers & Admins salaries	6,025,600.00	4,326,112.00	6,827,500.00	7,680,938.00	24,860,150.00
Furniture	1,328,120.00	524,000.00	1,013,060.00	1,001,916.00	3,867,096.00
Maintenance				2,000,000.00	2,000,000.00
Training for newly appointed teachers			950,000.00	1,900,000.00	2,850,000.00
outreach CAMPAIGN to increase Enrollement in FE				700,000.00	700,000.00
Total cost in JD	15,269,260.00	7,952,848.00	14,805,750.00	19,732,835.00	57,760,693.00
Total cost in USD \$	21,566,751.41	11,232,836.16	20,912,076.27	27,871,235.88	81,582,899.72
Financial gap					52,482,899.72

<sup>2</sup> According to Ministry data some 143,000 Syrian children are enrolled in the public school system. The independent expert review of December 2015 indicates however that there are 130,000 children in the system. The baseline for the Action Document for the year school year 2016/2017 is 140,000 pupils which is also used as the base line for decisions under ENI/2014/037-650 'Budget Support to the Ministry of Education to deal with the Syrian refugee crisis' and the top-up ENI/2015/038-501.

<sup>3</sup> This is implemented under decision ENI/2014/037-650 and the top-up of ENI/2015/038-501.

<sup>4</sup> UNHCR data of 31 January 2016.

<sup>5</sup> Table from document made by the Ministry of Education in February 2016: Impact of Syria Crisis on Education in Jordan and Accelerating Access to Quality Formal Education for Syrian Refugee Children.

On 12 January 2016 The Ministry of Education requested in a donor meeting a solid commitment by the donor community before 1 April 2016 in order to have enough time to realize the planning for implementing the London pledge of putting an extra 50,000 children in 102 additional double shift schools<sup>6</sup>. The current Action Document aims to facilitate this request from the Government.

## **2.2 Country context**

### **2.2.1 *Main challenges towards poverty reduction/inclusive and sustainable growth***

After experiencing high growth rates of 8% between 2004 and 2008, the global economic slowdown and regional turmoil contributed to slower growth from 2009 to 2014 - with GDP averaging 2.8% per year - and hurt export-oriented sectors, construction, and tourism. Jordan's GDP growth for 2015 is estimated at 2.5%, and the recovery has been slower than expected reflecting slow global economic recovery and the impact of the Syrian crisis on the economy. However, estimates for 2016 are higher at 3.6%. Some drivers behind this growth are expected to be the mining industry, the construction sector and the agricultural sector, together with to the decline of the international oil prices. This economic growth will nevertheless be affected by the unstable regional environment. The government is maintaining a tight fiscal policy and the situation of public finances is still improving, and the government is currently negotiating a new Extended Fund Facility (EFF) that follows up standby arrangement ended in August 2015. Worrying concerns remain with respect to the decline of (domestic and foreign) investment and exports, both negatively affected by the regional instability and the unclear business environment.

The monetary environment is positive, strongly impacted by lower energy prices. Inflation dropped by -0.8%, and credit to the private sector is in continuous increase. Foreign reserves have dipped sharply in November but remain at a comfortable level, growing from earlier this year. The trade deficit continued to decrease due to the sharp drop in Jordan's energy import bill, but export performance is poor.<sup>7</sup>

Obviously, the impact of the Syria crisis is increasingly influencing the state of the economy. Syrian refugee inflows to Jordan contributed to boosting domestic demand, however at the same time it has significantly increased pressure on public service provision and worsened public finances further. In the run up to the London pledging conference of 4 February 2016, the government of Jordan has tabled a proposal for a Compact with the EU, aiming at enhancing exports from the Kingdom towards the EU and also to secure an increase in the financial support needed to mitigate the effects of the current crisis. The EU proposal for a Compact with Jordan, still at a draft stage and yet to be discussed in detail with the authorities, contains a comprehensive support package which combines diverse policy elements within EU competence (financial and technical assistance, trade, mobility, counter-terrorism) to increase the outreach of aid and revamp growth and job creation, in exchange of Jordan is committing on social and economic inclusion of Syrian refugees.

---

<sup>6</sup> The EU has requested UNICEF and the Ministry of Education during a meeting on 12 January 2016 to indicate how an outreach campaign will be implemented to realize this objective.

<sup>7</sup> Economic and Trade Reporting Services, Monthly Report by Excel Consultancy Services, December, 2015

The Compact is expected to build on the Jordan 2025 national vision and strategy, a blueprint for a ten-year economic development path, which His Majesty King Abdullah II directed the Government to draw up in 2014. The 2025 Strategy identifies three major priorities: (i) addressing currently high levels of unemployment, particularly for women and youth, (ii) reducing poverty, which is concentrated in disadvantaged regions and (iii) increasing investment. Poverty and regional development for social and regional cohesion is a key theme of the Jordan 2025, and associated promotion of traditional and non-traditional business growth outside of Amman is identified as a priority, along with attracting inward investors located in the regions. It identifies a series of high value sectors such as ICT, business services, and medical tourism that have the potential to attract investment and create quality jobs and sets out broad public policy and investment priorities to support sectoral growth.

With 70% of Jordan's population under 30 years of age, it is estimated that 80,000 new jobs will be needed each year to avoid higher levels of unemployment and poverty. The unemployment rate among youth aged 15-24 years is estimated at nearly 60 per cent.

The unresolved issues of poverty, inequality and ineffectiveness of social policy highlight shortcomings and omissions that have been accumulating over the past years, the major ones being a lack of a coherent policy to reduce poverty, promote employability and limited public sector capacity. The 'working poor' represent 55.2% of the working-age poor population. The share of working poor is higher in urban areas (57.7%), than in rural areas (44.9%).

Despite all the above challenges, Jordan has made substantial progress in terms of human development. This is based on consistent levels of spending (more than 25% of the GDP) on human development like education, health, pensions, and social protection. Its Human Development Index (HDI) value for 2014 is 0.748— which put the country in the high human development category— positioning it at 80 out of 188 countries and territories.

### **2.2.2 Fundamental values**

Jordan has ratified the 6 major international conventions related to protection of human rights. However, Jordan has not ratified some optional protocols, inter alia the Optional Protocol to the Convention against Torture (OPCAT), the 1st and 2nd Optional Protocols of the International Covenant on Civil and Political Rights (ICCPR), the ILO convention No 87, No 169, No 189, and the conventions on refugees and stateless persons. Jordan expressed reservations on a few but important articles of the UN Convention on Elimination of All Forms of Discrimination against Women (CEDAW) and on the Convention of the Right of the Child. Jordan is the only country in the region that has offered a standing invitation to all UN Special Rapporteurs. Yet, the Committee on the Right of the Child (CRC) has underlined important weaknesses in terms of legislation, institutions and allocation of resources that prevent the state from implementing the Convention

Last years were marked by increased tensions and instability in the region (in particular Syria and Iraq), which impacted overall on the political dynamics in Jordan, with security considerations becoming paramount in the leadership's decision-making. As a consequence, the pace of political and governance reforms slowed down and space for political activists, media, civil society and opposition seems to have shrunk.

A number of important laws were passed in 2014 and the Government of Jordan has committed itself in the follow up of the Universal Periodic Review to adopt a new human rights strategy and created several committees to further evaluate and assess the different recommendations issued during the exercise. The amendments to the Anti-Terrorism Law and the end of the de-facto moratorium on death penalty in 2014 are undoubtedly worrying developments. Also the recent review of the implementation of the CAT convention repeated almost all previous recommendations related to torture from the last CAT review in 2010 and the use of torture seems to be on the rise since 2013.

However, in 2014 Jordan also strengthened the impartiality of the judiciary through the new judicial independence law, and through measures for the legal implementation of the Anti-Corruption Strategy. Other key recommendations made previously remain however valid. In line with the commitments agreed in the ENP Action Plan, Jordan should pursue the reforms process and enforce the laws adopted without following a strategy of selective implementation.

Jordan's commitment to fundamental values remains valid. However several risks of deterioration of the human rights situation were identified in the latest update of the Risk Management Framework carried out in February 2016 and the EU's concerns about freedom of media and expression, freedom of association, rights of women, space for civil society, death penalty and refugees, amongst other issues, were raised at the Human Rights Sub-Committee in March 2015.

## **2.3 Eligibility for budget support**

### **2.3.1 Public policy**

Since 2002 Jordan has 4 education sector policy vectors: (i) structuring the system to ensure lifelong learning; (ii) ensuring responsiveness of the system to the economy; (iii) accessing and utilising information and communications technologies to support effective learning and system management; (iv) ensuring quality learning experiences and environments. The objectives have been translated into a reform support programme, funded by different donors, called Education Reform for the Knowledge Economy (ERfKE) which is aimed at strengthening the basic education sector.

In 2005, the National Agenda 2006-2015 was developed, aiming at economic development; improvement of social welfare and security; fostering basic rights and freedom; and further development of services, infrastructure and economic sectors. Its policies guided the formulation of the National Education Strategy 2010-2014 (Ministry of Education 2009).

In September 2014, the Ministry of Planning and International Co-operation (MOPIC) established the Jordan Response Platform for the Syrian Crisis (JRPSC), using the structures and set up of the pre-existing Host Community Support Platform (HCSP) established in September 2013 as its backbone. This platform also deals with the support to education. The JRPSC will implement the Jordan Response Plan (JRP) that is currently under development for the year 2015 and which brings together development and humanitarian responses to the Syrian crisis under one integrated planning and coordination framework. The JRP for 2015 is based on the recently endorsed multi-annual National Resilience Plan (NRP) 2014-2016 and the Regional Response Plan (RRP). UNDP is supporting the drafting of the JRP and the eleven Task Forces and working groups established under the JRPSC. In addition, the programme builds upon the achievements of the HCSP Platform and of its

Secretariat established by UNDP, with UNDP and UN Women funding and in-kind support from OCHA and UNHCR.

*Brief description of the sector*

Jordan has in recent years adopted social, economic, educational and environmental policies that are inclusive, committed, and aligned with the Millennium Development Goals. Political will at the highest level has been translated into practical efforts towards developing human resources, and this has reflected in considerable progress on many socio-economic indicators over the course of the last decade.

The education reform process in Jordan is ongoing since 2007 which started with the Education Reform for the Knowledge Economy (ERfKEII) which has been supported by the EU under the ENI instrument with a Budget Support programme. It focuses on improving of the curriculum, teacher training manuals and KG2. Currently a reform of the numeracy and literacy programs which are being taught in level 1-3 is underway which is funded by DfID and USAID. This will include all schools (in double shift) and camp schools with Syrian pupils. The current ERfKEII program is also focusing on the physical learning environment by building new schools funded by the World Bank and USAID. This development has been strengthened in the light of the Syria crisis and currently KfW, Government of Norway and the EU are funding new schools and school extensions and renovations, in this way mitigating the negative impact of the influx of Syrians in the public education system.

So far the existing BS support under ENI in line with the Education Reform for the Knowledge Economy has delivered the results that were expected: The first Syrian package was developed on the basis of the effectiveness and efficiency of the Ministry to deliver results and report on them. Specifically in relation to the influx of children the response of the MoE has been impressive, in a short period of time some 130,000 Syrian refugee children have received education since 2013 in public schools with the support of the EU. The current AD will lead to a Financing Agreement with the Gvt whereby specific indicators will be set and which will be in line with those of previous BS interventions.

The EU has been the only donor who massively supported the Government of Jordan so far in supporting to provide education to Syrian refugee children. Through separate measures the EU is supporting the most vulnerable families through UNICEF with cash grants. As a result of the London Conference of February 2016 and the formulation of the Jordan Compact the other donors (USAID, DfID and KfW, the German Government) have decided to support accompanying measures of the education of Syrian refugees, such as transport

Successive movements from neighbouring populations (Palestinians, Iraqis, and now Syrians) have placed an additional strain on national schools, already burdened by the shifting of thousands of students (most of them Jordanian) from the private to the – cheaper - public school system. Employment and technical and vocational education reforms to improve access of Jordanians to the labour market (and as a corollary to reducing the numbers of foreign workers) and to equip youths with skills better adapted to the job market requirements are also challenged by the inflow of refugees, with the inevitable increase of black market employment.

The key challenge for the Jordanian Government is to maintain the course of reforming the education sector while shouldering the burden of accommodating a large number of additional students in the already overstretched national school system.

The sector stands under strong pressure to deliver on the Government's commitment – since late 2011 – to open access to national schools to Syrian refugee children. The needs in this area are among the most urgent, as children and youths may have been deprived of access to education for a considerable period of time while in Jordan and previously in Syria.

*Brief description of the main features of the public policy*

Education reform is a top priority of the Jordan Government. Set in the framework of the Education Reform for Knowledge Economy (ERFKE II) platform, it aims to improve the quality, access and performance of the national school system. Based on the National Agenda, the National Education Strategy, and the review of the ERfKE I (NCHRD 2009) the second education investment programme (ERfKE II) focuses on seven priority domains for change and development laid out in a 5-year Strategic Plan 2010-2014 (MoE 2009) addresses seven specific domains, i.e. (i) governance, (ii) finance of education, (iii) pre-school education, (iv) Human Resources, (v) safe teaching and learning environment, (vi) “the learner” including issues such as curricula and learning resources, assessment, school health and nutrition, vocational education, professional skills and employability, and (vii) quality assurance.

One of the key challenges of the reform implementation is linked to the improvement of the physical learning environment. A study undertaken in 2011 indicates that according to MOE criterion 1,244 (36.5%) of public schools are considered overcrowded in Jordan. This situation is worsening with the transfer of students from private to public schools in the past 3 years due to economic reasons (private school fees increasing by 20%-30% in 2012-2013) and it is further aggravated by the arrival of Syrian children in the schools, particularly in the North of the country, where the Ministry of Education reports of classes with more than one hundred students.

*New Education strategy*

The National Education Development Conference held in August 2015 was a major milestone in guiding the national dialogue on education and the consensus building towards a new phase of reform and development in Jordanian education. The conference described a 'New Vision for Education in Jordan (2016-2025) and the role of the international donor community'. During the last six months, the MOE has developed the Conference recommendations into an Action Plan that has been endorsed by the Education Committee of the Parliament. Important elements of this effort have been, for instance, the school network optimization already under implementation, the improvement of the quality of vocational education and the plan for making KG2 compulsory, and the crucial work on Accelerating Access to Quality Formal Education for Syrian Refugee Children. One of the obvious advantages of this progress is that it facilitates and coordinates international donor support under the leadership of the MOE.

*Accelerating Access to Quality Formal Education for Syrian Refugee Children.*

In the policy dialogue with the Government that is being undertaken by the relevant donors, the Minister of Education has ensured on 12 January 2016 that education in

Jordan is open to all children, whether Syrian or Iraqi<sup>8</sup>, hence Syrian and other refugee children can register freely in public schools.

The numbers of pupils have been growing steadily over the years 2012-2015 and the original forecast for the budget support under the Decision 022-722 was to cover about 70,000 pupils to be registered in the school year 2013-2014. However, these numbers have been surpassed and in January 2016 over 130,000 pupils are registered in public schools in Jordan<sup>9</sup>. Moreover, in the last school year some 25,000 children enjoyed informal and non-formal education.

For this reason the Minister has been proposed to upscale the current provision from 140,000 Syrian children now to 190,000 children in the school year 2016-2017 by opening up 102 additional schools to provide education. Between 2013 and 2016 the EU was the only provider of budget support to the Government. The costs for the foreseen upscaling of education services delivery to 190,000 children is an estimated additional \$23 million (see table 1). This would require a major shift in operations from the Ministry of Education and is parallel to the objective of the Government to secure long term funding for hosting Syrian children in the education sector.

It should be noted that the estimated costs of providing education to the Syrian refugee children who are still outside the public education system is considerably higher than the one agreed under the current budget support programme. The difference is due to an increasing marginal cost of bringing pupils to school and notably focus on the contribution to tuition fees, salaries of teachers in the single shift in host communities and school operational costs and furniture.

In the light of protection issues, the current EU intervention will seek parallel action in the form of a reach out program to transport of vulnerable children, in particular children under the age of 9 and girls, encouraging the participation of girls in the education system. Separately through UNICEF a reach out campaign will be organized which will strongly focus on the increase the girls in the education system.

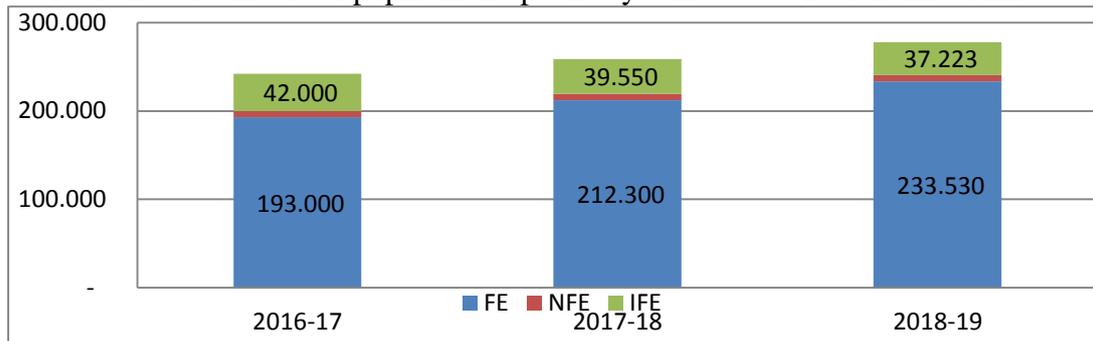
Not all children will benefit from the upscaling of education delivery in the public school system (see table 2). For this reason UNICEF has proposed a form of informal and non-formal education for children who are currently outside the education system.

---

<sup>8</sup> From the Minutes of the meeting His Excellency and Mr. Jenkins addressed the necessity to expand access to formal education and to ensure that the quality of education provided to all children in Jordan will be systematically enhanced during the period 2016-2018. They also stressed that all children in Jordan, regardless of their nationality, will have access to learning opportunities (formal, non-formal or informal) by the beginning of the scholastic year 2016/2017 which is in line with JRP 2016-2018.

<sup>9</sup> It should be noted that registration is not always attendance. Also the numbers of Syrian refugees who are registered is open to debate with some claiming it to be 10% lower.

Table 2<sup>10</sup> - Numbers of pupils in the public system based on UNICEF estimates



In order to achieve a large growth in pupils in the education system the Ministry of Education, UNICEF and partners need to develop an outreach campaigns to raise awareness about the right to school and its benefits, promotion of informal education services - including by using public facilities - and other activities are necessary complements to the herewith proposed institutional support. This has to reflect the successful back to school campaign from UNICEF carried out in January 2014 which increased the participation rate with some 50%. This even lead to some heavily overcrowded schools in the camps, a situation that has been tackled thanks to a sharp increase in the number of new schools.

On 1 December 2015, the EU Regional Trust Fund in Response to the Syrian crisis adopted a package of programmes totalling EUR 350 million, the single biggest EU measure in response to the Syrian refugee crisis to date. The programmes will in the coming months help up to 1.5 million Syrian refugees and overstretched host communities in Lebanon, Turkey, Jordan and Iraq through the provision of: basic education and child protection, better access to healthcare, improved water and waste-water infrastructure, as well as support to resilience, economic opportunities and social inclusion. The current Action Document is part of this package.

### ***Policy relevance***

Support to education reform is one of the key elements of EU-Jordan co-operation, and is fully in line with the revised EU-Jordan European Neighbourhood Policy (ENP) Action Plan of 2010, as well as with the underlying objectives of the 2011 Joint Communications of the European Commission and of the High Representative of the EU for Foreign Affairs and Security Policy “A partnership for democracy and shared prosperity with the Southern Mediterranean” and “A new response to a changing Neighbourhood”. The EU has also supported the Jordanian education system in relation to the presence of displaced Iraqis after 2006.

Jordan's key asset is its human capital and its educated youth. Job creation is, as in many parts of the region, Jordan's most critical socio-political challenge. The capacity of the Jordanian leadership to address it has a direct bearing on its internal stability. Consequently human resources development, education and vocational training are key pillars of the National Development Agenda. Education sector

<sup>10</sup> Table from document made by the Ministry of Education in January 2016: Impact of Syria Crisis on Education in Jordan and Accelerating Access to Quality Formal Education for Syrian Refugee Children. However it should be noted that the numbers are being disputed due to double counting in the Azraq camp.

reform receives substantial donor support to upgrade the education systems and curricula in Jordan<sup>11</sup> and is one of the most fruitful areas of policy dialogue.

### ***Policy credibility***

The policy framework for education clearly shows overall coherence with Jordan's overarching development policy and is consistent with EU development objectives. As it is shown in the next chapters, the following eligibility criteria for the use of budget support have been met:

- (1) a well-defined sector policy exists, on the basis of which the government develops and implements the sector measures.
- (2) a stability-oriented macroeconomic policy is in place and is implemented.
- (3) a credible and sound system and policy of public financial management is in place and is implemented.

### ***Track record in policy implementation***

The recent February 2016 joint donor supervision mission of the education reform<sup>12</sup> highlights that the current overburdening of the education system with Syrian refugees threatens the implementation of the reform as a whole, in particular in relation to management capacity, crowdedness of schools, teacher needs, resources and running costs.

The Ministry of Education has made considerable progress in the reform of the education system in Jordan and commitment to implementation of the education reform in its various components remains strong. A multi-donor monitoring mission is carried out twice yearly under the auspices of the World Bank. The implementation of ERfKE II continues to be deemed as satisfactory by all donors represented in this supervision mission. Despite the complexity of the project and the mounting number of constraints that the Ministry of Education is facing, ERfKE II continues to make important progress in several areas related to policy development, quality of education interventions and school construction". The mission also raises the concern of the current crisis situation may have a lasting effect on the outcomes of this reform.

### ***Policy financing***

The preparation and execution of the budget in general and over the medium term has witnessed important improvements in recent years. Jordan can be considered as having made progress towards putting in place the main elements of a basic Medium Term Expenditure Framework (MTEF) architecture and having progressively developed and strengthened the linkages between sector policies and budget allocations through the MTEF. But some capacity problems still remain.

### ***Institutional capacity and ownership***

---

<sup>11</sup> This has been supported under the "Support to the second phase of the education reform in Jordan – Sector support programme" (ENPI/2011/022722- EUR 33 million).

<sup>12</sup> Draft Aide-mémoire of the ERfKE II multi-donor supervision mission (World Bank February 2016);

The Government has continued the reform momentum through ERfKE II launched in March 2010, and has adopted a focused and targeted approach striving to deepen and broaden the transformation of education programmes and services. However, there is still a need for better coordination between the central and the decentralised levels and amongst different managing directorates of the Ministry of Education. Overall, the central services concentrate too many operational tasks, which should rather be devolved to the Field Directorates and to the school level. This devolution would result in a stronger inclusion and utilisation of the decentralised Field Directorates in the institutional design for managing and implementing education in Jordan.

### ***Gender***<sup>13</sup>

According to the most recent data delivered by the MoE for this report 52% of the refugee population are female for the basic education system<sup>14</sup>, while in the field of secondary education this is 51.4%<sup>15</sup>. From the total population of 145,418 registered pupils 75,638 are female.

Under the World Bank programme Education Reform for the Knowledge Economy II (ERfKEII) there is a programme of technical support to the MOE Gender Unit with the objective to strengthen the capacity of the Gender Champion at the Field Directorates (FD). The focus of this support has been to better engage the center with school based development by planning and supporting field visits to the Gender Champions at the FD level in the north, middle and south. The Head of the Gender Unit was supported to plan and deliver active learning sessions to review the recently developed Field Directorate Improvement Plans from a gender perspective, and promote the role of the Gender Champions to encourage the FD development team to use the School Directorate Development Plans sex-disaggregated data in their planning process and to ensure the plans have specific targets and activities to address gender-based issues in the schools.

Prior to the World Bank led interventions, data from boys' and girls' schools was not understood as relevant and was not analyzed and responded to separately. In the northern region, 18 Gender Champions attended (8 men and 10 women), in the middle region, 28 gender champions attended (14 men and 14 women) and in the southern region, 10 gender champions attended (5 men and 5 women).

During the first half of the year, the project was active in the seven FDs that constitute 540 schools. From July to December the project was active in 411 schools. Gender has been mainstreamed throughout the Leadership for School -based development program so the 1056 principals, assistant principals, supervisors and field directorate staff have all been trained to use gender analysis in their day-to-day work. The level of satisfaction with this training offered by the MOE trainers is more than 80 percent.

### **2.3.2 *Macroeconomic policy***

Based on the latest macroeconomic data and the IMF 5th, 6th and 7th review missions under the Stan-By Arrangement and Article IV consultations covering the

---

<sup>13</sup> The data on gender come from the EMIS programme and the World Bank Aide Memoire of February 2016

<sup>14</sup> According to the data on basic education by the MoE 67,077 (48%) pupils are boys and 72,741 (52%) are girls

<sup>15</sup> According to the data on secondary education 2743(48.6%) pupils are boys and 2897 (51.4%) are girls

whole of 2014 and forward looking measures, it is concluded that the authorities pursue a credible and relevant stability-oriented macroeconomic policy in the present circumstances, aiming at restoring fiscal and economic stability in the medium-term and moving towards sustainability in the long term.

During the final review of the Jordan SBA, the IMF chief of mission declared that “since the program started, the authorities have implemented macroeconomic policies that have contributed to stabilising the economy and help it weather a series of severe external shocks. Growth is gradually picking up, inflation is contained, and the current account deficit is narrowing. Budgetary measures—including a bold fuel subsidy reform—as well as energy and water sector reforms, contributed to a substantial decline in fiscal imbalances, ensuring that public debt will stabilize this year and start declining in 2016. Monetary policy complemented these efforts, helping to restore confidence and rebuild international reserves to an adequate level, which in turn has helped the central bank to reduce interest rates to stimulate growth.”

The economy remains resilient and growth projections for 2015 have been set at 3.5% despite a decrease in export and tourism revenues, which impact on the expected Balance of Payment deficit but are compensated by lower oil prices. As a result, the current account deficit (excluding grants) would continue to decline, to about 11% of GDP in 2015 and about 9 percent of GDP by 2020, on the back of fiscal consolidation, further savings from the energy import bill, and a pickup in tourism and exports. Reserves would remain at adequate levels; financial markets are stable and the banking sector remains robust and with adequate liquidity.

Moreover, in August 2015, the EU Commission (DG ECFIN) approved the disbursement of EUR 80 million in Macro-Financial Assistance to Jordan. This was the second and final tranche of a EUR 180 million Macro-Financial Assistance (MFA) programme for the country<sup>16</sup>. The first disbursement under this programme, amounting to EUR 100 million, took place on 10 February 2015. The MFA programme for Jordan contributed to strengthen the country's foreign exchange reserve position and to alleviate its balance of payments and budgetary needs stemming from negative shocks caused by regional instability, including the interruption of gas supplies from Egypt and the Syrian crisis. The MFA programme also included conditions linked to reforms aiming at strengthening public finance management and the tax system, increasing social inclusiveness, improving the investment climate, enhancing energy efficiency and promoting economic integration with the EU.

Nonetheless, some challenges remain including potential external sources of instability such as the slow rate of global economic recovery and regional political instability with the additional cost to the government due to the hosting of a still increasing number of Syrian refugees.

### **Public financial management**

The 2015 PFM annual monitoring report completed in November 2015 reviewed progress in PFM reform implementation. It concluded that Jordan continues to fulfil the public financial management reform eligibility criterion for budget support.

---

<sup>16</sup> as adopted by the European Parliament and the EU Council of Ministers on 18 December 2013

Based on the analysis in the said report, it is apparent that Jordan pursues a credible and relevant programme to improve public financial management. Implementation of the programme - Comprehensive Reform Strategy of PFM 2014-2017 - to improve and reform public finance management is positive with several reforms already completed or well advanced in their implementation with donor support, including from the EU Budget Support Programme.

Progress in the past year was noted especially in: the budget preparation process; continued rolling out of GFMIS (Government Financial Management Information System) to additional budget entities, progress on recording government arrears and on preparing commitment controls, continuation of collection of tax arrears, more internal control units are now functioning effectively, continued progress towards the modernisation of internal control and external audit, anti-corruption institutions continued to refer cases to the prosecutor general.

Moreover, losses of NEPCO declined in 2015, reflecting an approved tariff increase and a liquefied natural gas terminal which has just been completed in Aqaba. As NEPCO has historically been one of the main contributor to the Jordan fiscal deficit and public debt, these development are promising ones and should help keeping the high public debt under control. The IMF Debt Sustainability Analyses forecast that the debt should have actually peaked in 2015 at 90% of GDP and fall to 77% by 2019. In addition, the share of external debt remains limited (at about one third of the general government's one), thus reducing the country vulnerability to external shocks.

### **2.3.3 *Budget transparency and oversight of the budget***

The government of Jordan continues to make significant strides in improving financial information transparency and oversight. As per the EU Budget Support Guidelines of September 2012, the entry point for the fourth eligibility criteria – transparency and oversight of the budget – has been met as the Government of the Hashemite Kingdom of Jordan has published the enacted budget of the past budget cycle (2012/2013) within the respective fiscal year. In fact, the General Budget is published and accessible to the general public on the General Budget Department's website since 2009, in draft and final form once approved by Parliament, in Arabic and English. Similarly, the draft budget for 2014 and 2015 were published on the internet as well. Moreover, the Audit Bureau's annual report is also now made publicly available on the Internet. The timeliness of this release has improved significantly.

The latest Open Budget Index (OBI) from 2015 places Jordan at the 33rd place in its worldwide ranking, with a score of 55. This result, by far the best index among the whole ENI South Region, is well above the worldwide average, much above the 18 OBI for Middle East and North African countries and better than the result achieved by two EU Member States (HR and HU).

Moreover, in response to popular requests for greater transparency and accountability, the General Budget Department has developed two documents aimed at making the General Budget more accessible to the general public: the General Budget Brief which summarises the budget in a user-friendly manner; and the Citizen's guide which explains the main features of the General Budget Law and its content and it is written in a language suitable for wide public access.

## 2.4 Lessons learnt

In the current funding mechanisms the emphasis is shifting to strengthening the education for all and the implementation capacity of the Ministry of Education as main provider of education. The most recent monitoring report from the independent experts<sup>17</sup> has indicated that the Ministry of Education is delivering on its promise to provide education to the agreed number of Syrian refugees as well as the increase of quality in the second shift schools.

It is important to involve the Ministry of Finance in all negotiations and to receive guarantees from them that the money will reach the Ministry of Education budget. The budget for the year 2016 for the Ministry of Education has already been approved and it will be essential that guarantees are in place to ensure that the increased budget support reaches the budget of the Ministry of Education. The EU Delegation is undertaking steps to ensure this commitment.

## 2.5 Complementary actions

The EU supports basic education, youth programs, vocational education and higher education in Jordan. The EU has been supporting the Ministry of Education through a Budget Support programme from 2011-2014 of EUR 59.6 million, of which EUR 29.6 million was meant for the Syria refugee crisis, i.e. the Support to the Second Phase of the Education Reform (EUSSPER) programme. This BS programme is supported on parallel by capacity development measures of EUR 3 million, covering: the development of an Education Management Information System (EMIS), teacher training programs and the construction of school buildings.

The most recent budget support programme to the Ministry of Education to deal with the impact of the Syria crisis was signed in July 2015 and covers the school years 2015-2016 and 2016-2017, with a total financing of EUR 53 million<sup>18</sup>. The newly proposed budget support programme under Madad aims to capitalize on the achievements of this programme.

In the field of Higher Education the EU support has been channelled through the TEMPUS and ERASMUS Mundus programs, which has now been replaced by the Erasmus+ program. The EU has also been active in the field of youth through the EuroMed Youth programme, which aims at the promotion of youth projects through study visits and voluntary work. The program ends in June 2016.

The EU has been very active in the field of vocational education and employment. In October 2010 the European Union entered into a Financing Agreement with the Government of Jordan, which foresees EUR 35 million support to the Employment and Technical and Vocational Education and Training Reform Programme. EUR 29 million of the total budget is committed for the direct support of the government budget. Future interventions up to EUR 52 million in his field are also foreseen under the Single Support Framework.<sup>19</sup> The EU designed in 2015 a new assistance package

---

<sup>17</sup> Mission report 4 December 2015: Fourth progress report on aid delivery for all 30 centres and schools with an update of the quantitative and qualitative data for the report and the dashboard

<sup>18</sup> This is implemented under decision ENI/2014/037-650 'Budget Support to the Ministry of Education to deal with the Syrian refugee crisis' of EUR 45 million and the subsequent top-up under decision ENI/2015/038-501 of EUR 10 million.

<sup>19</sup> Under the Single Support Framework for Jordan separately EUR 52 Million has been committed for budget support on employment and vocational education, of which EUR 45 is budget support and EUR 7 is complementary measures.

in the field of Employment and Technical and Vocational Education and Training Reform of EUR 52 million titled "Skills for Employment and Social Inclusion. This programme will be operational in 2016. The new programmes targets institutions under the MOE, MOL and it will enhance the capacity of social partners and civil society organisations to co-operate effectively with national authorities on issues related to access to employment and Human Resource Development.

The European Union is one the most significant partners to the Ministry of Education in supporting the education sector in Jordan during the Syrian refugee crisis. In total EUR 118 million has already been committed to budget support to the Ministry of Education in the period 2012-2017 of which EUR 85 million in relation to the Syria crisis.

With more than EUR 30.6 million of funding to UNICEF over the period 2012-2016, the EU has provided learning opportunities for children in refugee camps, at public schools and informal education centres across the country. Separately EUR 4.4 million has been provided to UNESCO for the period 2013-2015 to support a programme for teacher training and Non Formal Education.

## 2.6 Risk management framework

As per the Risk Management Framework updated in November 2015, overall average risk levels remain moderate with an average risk of 2.15 (lower than 2.20 from the February 2015 assessment) and risk is somewhat stabilised from the previous assessment. Though substantial risks prevail i.e. the legal framework does not provide full protection of human rights, civil society and media; insufficient separation of powers and independence of judiciary; exclusion of some parts of the population, spill over effects of the Syrian crisis; and for corruption legal, regulatory and institutional framework that is not effectively enforced.

The identified risks are mitigated through political and policy dialogue through Association Agreement committees and steering committees and targeted assistance and using efficiently all the tools the EU has at its disposal, in particular the broad range of on-going programmes. In particular assistance to media and gender equality issues; support to further develop the legislative/regulatory frame for the implementation of the new political laws. Support for the Parliament and to implement the adopted political reforms and assistance to the judiciary. The additional EU support in 2013 of EUR 60 million (and potential new funding in 2014) to alleviate the impact of the refugee influx from Syria, addresses some medium and longer-term needs of both refugees and host communities in particular in the needs of education.

An additional risk of not achieving the forecasted large numbers of Syrian and other refugee students are in the field of the organization of the additional education for the Syrian refugees. For this purpose a Risk management Framework has been designed.

Risks	Impact	Likelihood of occurrence	Mitigating actions
MoE will receive adequate and timely funds from the MoF	Not enough funds available under the current budget year for the MoE which is then not in a position to pay for teacher salaries	Medium	Meetings will be held with the Min of Finance and this can be an indicator for tranche release

Organizational capacity of the MoE to have 102 schools ready by end of August	Ministry will go to a schedule of providing lessons, including the Saturday this must work also in practice	Low	Ministry has asked to have certainty about the additional funding by 1 April, giving them enough time to prepare for the additional
Organizational schedule including the Saturdays	The inability to develop a school system that matches an equal number of hours	Low	The Ministry communicated to be confident to identify the additional school as long as it receives clear indication by 1 April in order to give the Field Directorates time to organize this at school level
Registration and attending are 2 different issues	School attendance is a big issue in particular for boys	High	The new EMIS system developed which is currently developed with EU funding by UNESCO will fulfil the requirement of accurate data keeping
EMIS (Education Management Information System) data are correct	Not the right data are available	Low	UNESCO installed system with support of the EU and it is being installed through the system and is now providing good data.
Availability of good teachers	The Field directorates are not able to find the expected 2000 highly qualified teachers for the different schools	Medium	Unemployment rate is around 30% under academicians. The Ministry is organizing a 10 weeks pre-service course which will be funded by the Dfid/EU. Separately measures will be taken place to support the school management and the teachers in the 200 double shift schools. The support to teacher training will be funded by Dfid.
Additional 50,000 pupils	The inability to find sufficient number of refugee children	High	The achievement of this ambitious number will be realized through 3 separate operations: there is a back-to-school campaign by UNICEF to bring back 25,000 from informal to formal education and through catch –up classes. Our discussion with the MoE is focused on retaining pupils after grade 10 when there is the largest drop-out. Separately there has been a baby boom and a large new generation is ready for registration in grade 1
School attendance	The risk of drop-outs	High	A special programme under complementarity measures will be developed to connect the Syrian community to the school as well as the introduction of Syrian volunteers in the double shift schools will lead to a

			<p>reduction of dropout rates</p> <p>The school attendance will be increased by involving parents through the position of classroom assistant/volunteer which aims to increase the commitment of parents to school. Parallel a program is foreseen for school transport and bringing school snacks which are funded by other donors. Under the complementary measures which will bring parental organizations closer connected to the schools and civic education projects will be developed in schools who will also receive a budget for out of school activities: this is all focusing on making schools more attractive and reducing the drop-out rate.</p>
Quality of learning	The quality of education will be much lower than in the morning shift. In recent testing under NAFKE in 2015 the quality in double shift schools in host communities was 10% below Jordanian scores	Medium	A monitoring system of school performance with a special focus on quality is being carried out since the school year 2014/2015. Improvement is an indicator for tranche release. Education quality is supported by the World Bank programme. Currently Syrians are performing better in Tawjihi school leaver exams

The risk management framework for budget support in the light of the Syrian crisis in the field of education should include the involvement of MOPIC, Min of Finance and the Ministry of Education.

### 3 DETAILED DESCRIPTION OF THE BUDGET SUPPORT CONTRACT

#### 3.1 Objectives

The overall objective of this programme aims at supporting the Government of Jordan in enhancing the capacity of the education system for Syrian children refugees' camps in host communities in Jordan.

The specific objectives are:

Specific objective 1: To support the Government of Jordan to reintegrate and increase the number of Syrians displaced children in primary and secondary schools for school year 2016-2017

Expected results are

1.1: To provide quality education in primary and secondary schools pro bono for an additional attending 50,000 Syrian and other refugee children comparable to the standards of Jordanian public system.

1.2: To support Syrian refugee children in host communities and camps by providing them with school books (including second-hand ones) for an additional 50,000 Syrian and other refugee children and pay for their tuition fees.

Specific objective 2: To assist the Government of Jordan to give access to school facilities in the double shift schools and accompanying teacher training and psychological support for school year 2016-2017

2.1: To pay for teacher and administrator salaries to provide education in the double shift schools for additional teachers to cover the needs to teach 50,000 children.

2.2: To pay for utilities, classroom furniture and stationary for 102 double shift schools for the double shift.

2.3: To open an additional 102 schools pro bono for other activities for Syrian refugees with additional services during the full school year in the additional 102 double shift schools such as library, computer and science education as well as accompanying inspection, psychosocial support and teacher training during the whole school year.

The cross-cutting issues relate to improvement of education quality and governance in the field of education in emergency situation as well as stimulating the gender balance and increasing aid effectiveness and efficiency.

### **3.2 Expected results**

The expected results of the budget support programme by the end of the programme specific objectives are:

1: Quality education provided in the field of primary and secondary schools pro bono for 50,000 additional attending Syrian and other refugee children comparable to the overall Jordanian schools;

2: The payment of school fees for an additional 50,000 Syrian and other refugee children in host communities and camps

3: School books (new and used) provided to attending 50,000 Syrian and other refugee children in host communities and camps;

4: Teacher contracts and administrator contracts made and salaries paid over the whole school year in the 102 additional double shift schools in host communities for teachers and administration staff to serve 50,000 extra refugee children

5: Utilities, classroom furniture and stationary organised for additional 102 double shift schools in host communities during the whole school year

6: Other services are provided in the 102 additional double shift schools through appointed teachers and assistants to for library, computer and science education as well as accompanying inspection, psychosocial support and teacher training during the whole school year

7: Opening up of the additional 102 double shift schools pro bono for other activities for Syrian refugees in host communities

Complementary support will be foreseen under the budget support programs ENI/2014/037-650 and ENI/2015/38501 in the field of technical assistance in programme facilitation and setting up a revolving fund for school books.

### 3.3 Rationale for the amounts allocated for budget support

The total amount allocated to budget support for the Syrian refugees in the education sector is EUR 25.5 million for the current school year 2015-2016 and EUR 27.5 million for the school year 2016-2017<sup>20</sup>. In the current Action Document it is proposed to top up the current engagements with an additional EUR 20 million to cover the needs of an additional 50,000 Syrian refugee children as pledged by the Government in Jordan during the pledging Conference on 4 February 2016 in London. Of this amount EUR 19 million is for budget support and EUR 1 million for complementary support measures.

The rationale for this amount is based on an analysis of the previously agreed indicators under the Technical and Administration Provisions formulated in Annex 1 to the Financing Agreement no ENI/2014/037-650 and ENI/2015/38501. The ongoing budget support programme is based on a figure of 140,000 students and this is expected to rise further with 50,000 pupils in the school year 2016-2017 as a result of a pledge made by the Jordanian Government in the London Conference on 4 February 2016.

More specifically the top-up is based on the following intervention logic:

- The commitment by the Ministry of Education in Jordan to allocate national budget resources (including from the EU budget support) to provide quality education in host communities and in the camps to an additional 50,000 Syrian refugee pupils in line with standard national budget procedures for the school year 2015-2016;
- The overall effectiveness and impact of the budget support in achieving Jordan's policy objectives have been successfully implemented in previous years and the indicators, which are defined in terms of funding extra school books, paying teacher salaries and opening of double shift schools with facilities, have been agreed upon between the EU and the Ministry of Education;
- The corresponding financing needs of Jordan in the light of the Syrian refugee crisis for the school year 2016-2017 will strongly increase as a result of the announced policy to bring all refugee children into education;
- The overall track record and absorption capacity on budget support operations by the Ministry of Education of past disbursements on agreed objectives were well achieved within set time limits;
- The Ministry of Education in consultation with UNESCO and UNICEF have set up a result based monitoring system. Separately a framework contract is implemented between 2014 and 2016 for monitoring the education sector, which includes the assistance to Syrian refugees;
- The engagement with civil society will reduce the strain between the various communities in the host communities and the camps and strengthen the support for the education provision;

---

<sup>20</sup> The budget support for the school year 2015-2016 of EUR 25.5 million is in process of disbursement of second tranche payment.

- Currently some 636,169 Syrian refugees and 53,615 Iraqi refugees<sup>21</sup> have settled in Jordan as a result of the war in Syria and the rise of ISIL;
- UNICEF is running an informal and non-formal education programme to cover the needs for children who will not be served under the current proposal by the Ministry of Education.

### **3.4 Main activities**

The main activities to implement the budget support package are policy dialogue on a bilateral basis and through the education donor co-ordination group, as well as independent monitoring, performance assessment, reporting and capacity development financial transfer.

#### **3.4.1 Budget Support**

The EU Delegation will be involved in dialogue with the Ministry of Education concerning the verification of conditions and the payment of top-up of the budget support. The verification of variable indicators of the budget support will be through a yearly tranche report by independent experts which will be engaged in Jordan under a framework contract. This is an established procedure since 2012.

#### **3.4.2 Complementary support**

A reservation of complementary activities for EUR 1 Million has been made for technical assistance to assist the Ministry of Education. The main part will be focused on facilitating the implementation of the budget support under ENI/2014/037650 and subsequent commitment under ENI/2015/38501 as well as this newly proposed budget support programme under Madad. More details are provided under paragraph 4.4.

### **3.5 Donor co-ordination**

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

The donor co-ordination of aid is driven by a number of working groups which are particularly active as a result of the Syrian crisis which is now also driving the development agenda of the country, mainly the Host Community Support Platform (HCSP) which has been enacted in September 2013. The HCSP provides Five Sector Task Forces/thematic working groups on health, water and sanitation, education, livelihood and municipal services composed of a lead ministry, a lead donor and a lead UN agency, have also been established to inform decision-making. The EU

---

<sup>21</sup> Data provided by UNHCR for 31 January 2016

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

#### Donor co-ordination in education

Monthly co-ordination meetings take place in the donor co-ordination group for education which focuses on support to the Jordanian education, the Syrian refugee situation and school construction. The group is presided by USAID and its members are the World Bank, Canadian International Development Agency, the German, Dutch, Norwegian and Swiss Embassies, the UK Department for International Development and the EU.

In order to expand the physical infrastructure of the education system several donors are currently funding the construction of school buildings and school extensions, such as USAID, KfW, the Swiss and Norwegian Governments. Separately a school construction programme is still under implementation under ERfKEII funded by the World Bank and the EU.

Outside the implementation of this programme, CIDA is planning to support the training of teachers through a 20 Million Canadian Dollar grant to Queen Rania Teaching Academy. This project will be reshaped for this programme's purposes. Separately USAID will invest some 140\$ Million to support teacher training and the refurbishment and construction of schools.

The consultation between donors in January and February 2016 have indicated that the USAID, DfID and the German Government are considering increasing their support the Ministry of Education by considering some forms of budget support. Ongoing discussions are being held how to align their contributions with the EU Budget Support programme.

Currently the discussions with the donor group focus on German complementary support in the field of teacher salaries, while the UK Government (through DfID) is considering to support teacher training for new teachers, USAID is making a study on transport and the Norwegian Government is looking into strengthening the delivery of food through the World Food Program.

### **3.6 Stakeholders**

The stakeholder for the programme is the Ministry of Education of the Government of Jordan. Other stakeholders are: UNICEF, UNESCO, NGOs and civil society. However, the main stakeholders are the Syrian children and their parents who want to benefit from the education and build their future.

## **4 IMPLEMENTATION ISSUES**

### **4.1 Financing agreement**

In order to implement this action, it is foreseen to conclude a new financing agreement with the partner country, referred to in Article 184(2)(b) of the Financial Regulation. All activities will be implemented through direct management

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

The indicative operational implementation period of this action, during which the activities described in sections 3.4 will be carried out, is 18 months, subject to

modifications to be agreed by the responsible authorising officer in the relevant agreements. This will cover actions for the school year 2016-2017.

### 4.3 Criteria for disbursement of budget support

The main criteria for the schedule of budget support relate to the following general and the specific conditions.

#### Indicative disbursement timetable

Jordan fiscal year	New MADAD program <sup>22</sup> School year 2016/17 In million EUR				In million EUR
Type of tranche	Q3	Q4	Q1	Q2	Total
First – 1 <sup>st</sup> Fixed tranche	9				9
Second - 1 <sup>st</sup> Variable tranche			10		10
Total	9		10		19

The general conditions for disbursement of all tranches are as follows: Satisfactory progress in the implementation of the provision of education by the Ministry of Education to Syrian refugee pupils according to the London pledge of an additional 50,000 Syrian and other refugee children in the field of basic education and continued credibility and relevance thereof; implementation of a credible stability-oriented macroeconomic policy; satisfactory progress in the implementation of the PFM reform programme; satisfactory progress with regard to the public availability of timely, comprehensive and sound budgetary information as well as satisfactory reporting from the monitoring contract for the existing contracts.

The general conditions set out below for the disbursement of each tranche shall apply to the disbursement of all tranches and all tranche release requests must be accompanied by all appropriate information and documents.

Area	Conditions	Verification source
Public Policy	Satisfactory progress in the implementation of the Jordan Response Plan for 2015 and the Education Reform for the Knowledge Economy II and continued credibility and relevance of that or any successor strategy.	JRP Reports Education strategy and ERfKE II progress reports Bi-annual reporting from

<sup>22</sup> Based on the current

		MoE
Macroeconomic stability	Implementation of a credible stability-oriented macroeconomic policy. Satisfactory progress in maintaining a policy of macroeconomic stability as evidenced inter alia by the IMF Article IV Report. If the review of the IMF programme is delayed, temporarily suspended or invalid, the Commission may still decide, after consultations at an appropriate level with the GoJ and the IMF to disburse the budget support if it considers that the macroeconomic stability policy is still being implemented or that it does not jeopardise the sector objectives.	IMF Article 4 Reports Annual reporting
Public financial management	Satisfactory progress in the implementation of the programme to improve public financial management, as indicated, inter alia, by the Public Expenditure Financial Accountability (PEFA) Review	Annual PFM report by EU Delegation PEFA based Reports; Annual reporting
Budget Transparency	Satisfactory progress with regard to the public availability of accessible, timely, comprehensive, and sound budgetary information.	Bi-annual reporting by the Ministry of Finance and possibly supported by external reporting from external experts

The specific conditions for disbursement that may be used for variable tranche are the following:

- 1: Quality education provided in the field of primary and secondary schools pro bono for additional attending 50,000 Syrian and other refugee children registering and attending public schools comparable to the Jordanian system;
- 2: The school fees paid to the MoE and transferred to schools;
- 3: School books (new and used) provided for the 50,000 attending Syrian and other refugee children in host communities;
- 4: Teacher and administrators salaries paid to in the additional 102 double shift schools in host communities;
- 5: Utilities, classroom furniture and stationary paid for up an additional 102 double shift schools in host communities;
- 6: The additional 102 double shift schools are open pro bono for other activities for Syrian refugees in host communities;
- 7: Libraries, IT and science labs are open and librarians as well as IT and science teachers are appointed at additional 102 double shift schools;
- 8: Additional services are provided in the additional 102 double shift schools for accompanying inspection, psychosocial support and teacher training.

The specific conditions for the disbursement set out in the table below and shall apply to the disbursement of a specific tranche. Tranche release requests must be accompanied by all appropriate information and documents on the specific conditions.

Tranche	Amount	Indicative disbursement date request (month/year)	Indicative disbursement date (month/year)	Conditions/criteria/activities for disbursement	Verification source including timing or data availability
MADAD programme First, first fixed tranche	€9 m	July 2016	August 2016	Confirmed commitment through: (i) Letter by Minister of Education to all field directorates and schools instructing the enrolment of the 50,000 Syrian pupils and other refugees with free tuition fee for the school year 2016-2017 by 15 July 2016 (ii) Minister of Education instructing the recruitment of teaching and administrative staff for the school year 2016-2017 by 15 July 2016 (iii) Letter by the Minister of Education instructing the opening of double shift schools for the 102 school year 2016-2017 by 15 July 2016	3 letters available by 25 July 2016
MADAD programme Second tranche, first variable tranche	€10 m	December 2016	February 2017	Detailed information about indicators. <sup>23</sup>	Reports on variable tranche conditions available by Dec 2016

These data –provided by the EMIS unit within the Ministry of Education- will be the key indicators for the performance monitoring system and cover the expected progress in implementing the relevant management of the budget support programme. The facilitation services by the Education Management Information Systems (EMIS) unit within the Ministry of Education is supported by the EU Delegation through a contract with UNESCO.

The chosen performance targets and indicators to be used for disbursements will apply for the duration of the programme. However, in duly justified circumstances, the MOPIC may submit a request to the Commission for the targets and indicators to be changed. The changes agreed to the targets and indicators may be authorised by the signature of an addendum to the Financing Agreement.

In case of a significant deterioration of fundamental values, budget support disbursements may be formally suspended, temporarily suspended, reduced or cancelled, in accordance with the relevant provisions of the financing agreement.

#### 4.4 Details on complementary support

The complementary support will be funded largely from the ongoing budget support Financing Agreement (ENI/2014/37650 and ENI/2015/38501), namely grants to promote engagement with civil society and technical assistance to the Ministry of

<sup>23</sup> This will be defined in the Technical and Administrative Provisions that will accompany the (new) Financing Agreement which will be concluded on the basis of this Action Document

Education to deal with the Syrian refugee crisis, evaluation, and communication and visibility.

The complementary support through service contracts will be foreseen in the field of technical assistance in programme facilitation, citizenship education, psychosocial support and setting up a revolving fund for school books. Part of the budget of this action will be utilized to finance the assessment of the release of tranches. The Technical Assistance will be channelled through procurement of service contracts

The complementary support will be focused on providing technical assistance to the MoE as follows:

1. to support citizenship education and related subjects, or psycho-social activities and remedial teaching, inspection and measures to reduce the dropout rates of Syrian pupils;
2. to introduce a revolving fund system for school books (aimed at rationalising the donor aid by reducing the expenditure of the school books component);
3. to conduct independent assessment missions ahead of the disbursement of the tranches of the budget support component.

A call for proposals is foreseen to support the selected 200 most heavily affected schools with high number of Syrian refugees. The complementary measures in this field will focus on developing core capacities on school level to manage the crisis situation and provide the schools with block grants. It will include also engagement with civil society organisations to improve on the parental participation in the school committees. The grant will also support innovative extracurricular activities and linking the schools with schools in Europe.

The grant contracts aim to mitigate the negative effect on the quality of education due to large numbers of Syrian pupils in the single, second shift and camp schools. In this way the complementary measures are supporting the institutional and policy developments by the Ministry of Education which is one of the root causes of the high drop-out number of pupils.

Finally, to complement this, a budget of EUR 850,000 has been earmarked under this action to fund unforeseeable activities in the future which may relate to various issues such as targeting other disadvantaged groups, revision of the humanities curriculum, transport costs for the second shift, school meals and 150,000 for communication, visibility and audit activities. The exact scope will be determined in discussion with the Ministry of Education. Implementation will be via direct management.

#### 4.5 Indicative budget

<b>Module</b>	<b>Amount in EUR</b>	<b>Third party contribution</b>
3.3. – Budget support	19,000,000	N.A.
Communication and visibility	150,000	N.A.

Audit and evaluation		
Contingencies	850,000	N.A.
Total	20,000,000	

#### 4.6 Performance monitoring

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, in particular the Ministry of Education, supported by the UNESCO supported EMIS data.

To this aim, the Ministry shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular bi-annual progress reports as measured by corresponding indicators. 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 which can be assessed by external monitors who will be appointed by the EU Delegation under a separate framework contract. This is since 2012 a standard procedure with the Ministry of Education under the current and previous budget support programmes.

Each BS operation is independently monitored and there is already an independent monitoring system in place which is contracted through a framework contract. The objective of the contract is to monitor the numbers of pupils enrolled and the teachers allocated. The independent monitoring team has also formulated a base line study and a follow-up study. In 2<sup>nd</sup> quarter of 2016 it will be decided how we can extend the current objective of the assignment to align with the new obligations and link it to the accountability unit which is being developed in the MoE.

As a standard procedure the Commission will undertake additional project monitoring visits through independent consultants recruited directly by the Commission for independent monitoring reviews under a Framework Contract as well as through assessment.

EU Support has been already provided during the ongoing Budget Support programme which has included the design of an agreed monitoring framework, including recommendations for process, output and outcome indicators as well as relevant baselines, for which detailed definitions will be finalised before the signature of the Financing Agreement. This will help to allow disbursing of the two foreseen payment tranches for the school year 2016-2017 as proposed under this new Action Document in line with the current schedule namely a fixed and a variable tranche.<sup>24</sup>

The Ministry of Education supported by UNICEF have set up a monitoring process to support the education delivery by the Ministry of Education. In the framework of the complementary measure of the budget support programme under decision ENPI/2011/022722 an EMIS project has been agreed with UNESCO for the period 2014-2016 which has prioritised the delivery of data on Syrian refugee children on attendance and registration rates. In the complementary measures of this new decision it is foreseen to introduce a facilitating and monitoring team that will be

<sup>24</sup> See remarks under footnote 21

supporting the Ministry of Education in the implementation of the budget support under Decisions ENPI/2011/022722, ENI/2014/037650 and ENI/2015/038-501.

The EU Delegation has launched in September 2014 a Framework Contract for an independent monitoring capacity for the Ministry of Education, the UN agencies and the (I)NGOs. The current contract will end in June 2016 and a new framework contract will be launched in September 2016.

#### **4.7 Evaluation and audit**

As regards budget support, the EU Delegation reserves the right to perform an evaluation at the end of the implementation. In the case of complementary support, the EU Delegation reserves the right to conduct an audit on an ad hoc basis.

#### **4.8 Communication and visibility**

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU. Discussions are ongoing with the Ministry of Education to provide more visibility on the Budget Support programme, for example in the form of a back to school campaign.

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 4.6 above.

Visibility measures are also foreseen under the budget support programme ENI/2014/037-650 and ENI/2015/38501 in the field of technical assistance. Both budgets will be combined in order to form a joint communication and visibility budget. The measures shall be implemented by a contractor mobilised by the EU Delegation in co-operation with the partner country.

The programme will follow the orientations of the Communication and Visibility Manual for the EU External Actions. Professional services will be procured to ensure communication and visibility of the programme in co-ordination with the key stakeholders of the Government of Jordan and civil society.