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Enabling poor rural people
to overcome poverty

Hashemite Kingdom of Jordan Country Programme Evaluation

Note to Evaluation Committee members

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Currency equivalent

Currency Unit	Jordanian Dinar (JOD)
US\$1.00	= JOD 0.709
JOD 1.00	= US\$1.410

Weights and measures

International metric system, unless specifically described in text; except:

1 dunum (du) = 0.1 hectares (ha)

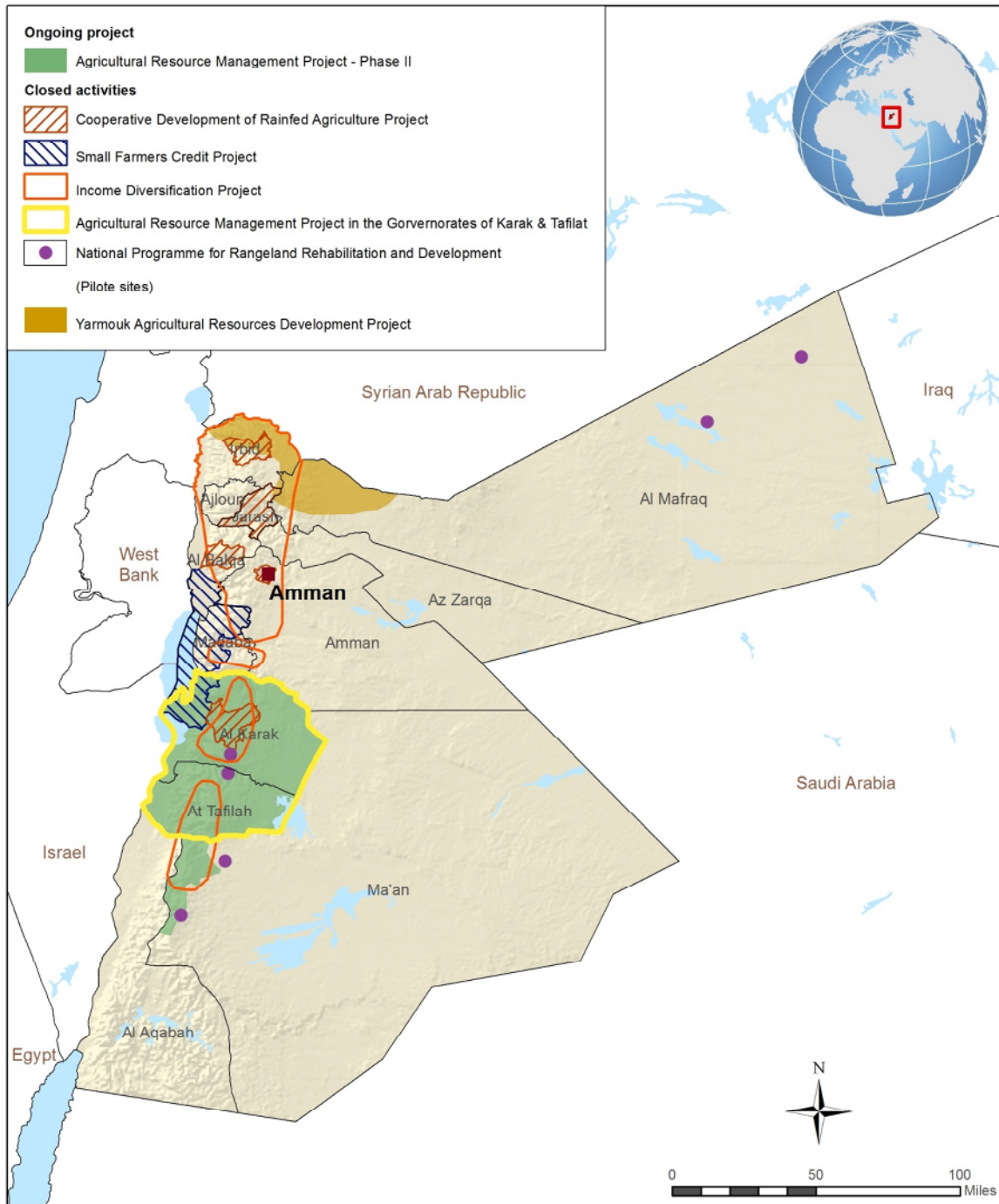
Abbreviations and acronyms

ACC	Agricultural Credit Corporation
ACP	Agreement at completion point
ARMP	Agricultural Resource Management Project
AFESD	Arab Fund for Economic and Social Development
AIDOS	Italian Association for Women in Development (<i>Associazione italiana Donne per lo Sviluppo</i>)
BRP	Badia Restoration Programme
CaMaRi	Capacity-Building in Managing for Results and Impact
CAP	community action plan
CGAP	Consultative Group to Assist the Poor
COSOP	Country Strategic Opportunities Programme
CPE	Country Programme Evaluation
CPM	Country Programme Manager
GDP	Gross Domestic Product
ERR	economic rate of return
ESPP	Economic and Social Productivity Programme
EU	European Union
GEF	Global Environment Facility
GNI	Gross National Income
ICARDA	International Center for Agricultural Research in the Dry Areas
ICBA	International Center for Biosaline Agriculture
IDRC	International Development Research Center
IFAD	International Fund for Agricultural Development
IGA	income generation activity
IOE	Independent Office of Evaluation
JICA	Japan International Cooperation Agency
KariaNet	Knowledge Access in Rural Interconnected Areas Network
LCC	local community committee
LMI	Lower Middle-Income country
MENA	Middle East and North Africa
MENARID	Mainstreaming Sustainable Land and Water Management in Jordan Project
MIC	Middle-income country
M&E	Monitoring and evaluation
MOA	Ministry of Agriculture
MOF	Ministry of Finance
MOPIC	Ministry of Planning and International Cooperation
MOSD	Ministry of Social Development

MOWI	Ministry of Water and Irrigation
MPWH	Ministry of Public Works and Highways
MTR	Mid-Term Review
NPRRD	National Programme for Rangeland Rehabilitation and Development
NCARE	National Centre for Agricultural Research and Extension
NCARTT	National Centre for Agricultural Research and Technology Transfer
NEN	Near East, North Africa and Europe Division
NSAD	National Strategy for Agricultural Development
OFID	OPEC Fund for International Development
PCR	Project Completion Report
PMU	Project Management Unit
PRIME	Pastoral Resources Information Monitoring and Evaluation
RIMS	Results and Impact Management System
RMG	rangeland management group
SWC	Soil and water conservation
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNOPS	United Nations Office for Project Services
USAID	United States Agency for International Development
WFP	World Food Programme
WUA	water user association
YARDP	Yarmouk Agricultural Resource Development Project

Map of IFAD-supported projects covered by the CPE

Hashemite Kingdom of Jordan IFAD-funded activities in the country



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

IFAD Map compiled by IFAD

02-12-2011

Executive summary

1. This is the first IFAD country programme evaluation (CPE) for Jordan since the Fund started its operations in the country in 1981. The evaluation has made it possible to assess the results and impact of IFAD-supported activities in the country, and has generated findings and recommendations that will inform the definition of future cooperation between IFAD and the Government of Jordan.
2. In view of its findings and the analysis carried out, the evaluation questions whether a purposeful partnership between IFAD and the Government of Jordan is feasible - especially under the prevailing country context and IFAD's own strategic objectives. The following points raised by the CPE (both in relation to context and to the limited results) would challenge the feasibility of an IFAD-Government of Jordan partnership.
3. Jordan is a highly urbanized upper-middle income country. It has a low rate of poverty (13 per cent) and the majority of poor people live in cities. The number of poor living in rural areas is close to 0.25 million (approximately one third of the total poor) and they are difficult to reach, being often scattered in remote and marginal lands. Given IFAD's imperative to maximize the impact of its limited resources on rural poverty, the relatively small number of rural poor in the country may raise questions about the opportunity cost for IFAD of doing business in Jordan.
4. The agriculture sector in Jordan contributes only about 3 per cent of gross domestic product (GDP) and employment and offers limited growth opportunities. Severe constraints on land and water limit agricultural potential. Land fragmentation and absentee owners living in cities make it difficult to develop and implement effective agricultural programmes. These factors point to non-farm employment or social welfare for poor people unable to find employment as the likely instruments for rural poverty alleviation¹ rather than land ownership-based interventions in agriculture that form the main part of the IFAD programme.
5. The Jordanian population enjoys a significant safety net, both from private sources (mainly remittances from relatives working in the Gulf countries) and from public programmes including various consumption subsidies, access to free or low-cost health and education, and cash transfers to the poor.
6. Jordan receives significant aid (an average of US\$630 million per annum in the last 10 years; and an average of US\$1,200 million in the last three years), of which a large part is provided on grant or highly concessionary terms. Major donors (e.g. United States Agency for International Development [USAID], the World Bank, Arab Fund for Economic and Social Development [AFESD], and European Union [EU]) have a significant presence in the country. This creates a particular challenge for IFAD to be relevant with its limited resources. Moreover, the statutory debt ceiling of 60 per cent of GDP adopted by the Government and the revision of IFAD lending terms for the country to ordinary terms in 2007 may have a bearing on IFAD's ability to lend in Jordan.² However, in view of the relative small size of IFAD loans to Jordan, these factors may not constitute an insurmountable constraint.
7. In terms of results, the evaluation found, first, that IFAD-supported programmes have not achieved the overarching country strategic opportunities programme (COSOP) strategic objective of reaching the poor. The land-ownership-based soil and water conservation (SWC) investments supported by IFAD - while important from the point of view of natural resource management and increasing agriculture production, has been inherently unsuitable for reaching the poor in Jordan. Few of

¹ This is in line with the agriculture-for-development agenda proposed for urbanized countries (World Development Report, Agriculture for Development, 2008).

² The last project funded by IFAD in Jordan was approved by the Executive Board more than seven years ago, in December 2004.

the IFAD target groups as defined in the COSOP (families earning less than US\$2 per day) are land owners, or own only small plots.

8. Credit did not reach the intended beneficiaries either. The collateral requirements – land and a payment guarantee from someone with a salary or pension – established by the institution responsible for implementing the component (the Agricultural Credit Corporation [ACC]) essentially precluded the poor and landless from benefiting from credit. IFAD made periodic attempts to persuade the ACC to modify its approach, but only a few marginal changes were achieved. Despite the government decision to partner with ACC, the lack of agreement with ACC on this important issue undermined the rationale/effectiveness of IFAD’s engagement. IFAD also missed the opportunity to participate in the broader government efforts on microfinance that have been quite successful in the country.
9. Community empowerment, a mainstay of IFAD strategy for rural poverty alleviation in Jordan, also has been mostly unsuccessful thus far. Empowerment of communities has been affected by a number of challenges, such as lack of commitment of the Ministry of Agriculture (MOA) to the concept, absentee farmers, and weak project management unit (PMU) capacity. Water user associations (WUAs), which are considered essential for sustainability, have also proved difficult to form and/or have been ineffective. The most recent project – the Agricultural Resource Management Project – Phase II (ARMP-II) – has attempted to reenergize the concept of community planning with financing from the Global Environment Facility (GEF) (some 48 community action plans have been formulated), but the evidence so far does not point to IFAD or the Government having devised a workable approach for community empowerment.
10. Impact on policy and institutional development was also limited. The COSOP proposed a very broad agenda for policy dialogue with the Government, which proved unfeasible to pursue. While IFAD was successful in mobilizing significant grant resources by and large they have not been linked to the COSOP’s policy dialogue objectives, and thus did not contribute materially to progress in these areas. The National Programme for Rangeland Rehabilitation and Development – Phase I had no role in the formulation of the Government’s major initiative in this area under its Badia Fund. Similarly, SWC projects have remained largely as isolated interventions and have not had any significant influence on similar MOA programmes. SWC has yet to emerge as a coherent national programme.
11. Furthermore, MOA’s capacity remains limited and it has not yet defined a clear vision for agriculture and the role it can – and should – play, despite IFAD’s intentions, particularly during the earlier part of the programme. The institutional instability associated with frequent changes in ministers in the MOA partly explains this situation.
12. There are, however, positive aspects of the IFAD-Government of Jordan partnership and accomplishments of IFAD-funded projects which, although not challenging the critical points raised by the CPE, need to be mentioned. IFAD is a long-standing partner of Jordan (30 years) in agriculture and rural development in rainfed and semi-arid areas. Although IFAD’s financial contribution has been modest (US\$70 million in loans over 30 years), the Fund enjoys a good relationship with the country, being the only donor that has provided sustained support for the sector in the last 15 years. IFAD has also ensured adequate cofinancing in the last two projects approved in the country³ and provided or mobilized significant grant assistance for research and studies in the sector.
13. The IFAD-supported programme has financed important initiatives consistent with the Government’s strategy for agriculture and rural development. The IFAD programme over the last 15 years has focused primarily on improving rural

³ Approved in April 1999 and December 2004 respectively.

incomes through increased agriculture production (mainly olives and fruit trees) in the marginal lands in arid or semi-arid regions of the country, and on augmenting non-farm income through self-employment. SWC (essential in a country with chronic water scarcity and subject to erosion and desertification) coupled with extension and production support have been the instruments to increase agriculture production. Non-farm rural livelihoods have been supported through the provision of credit, supplemented with training.

14. SWC interventions and efforts towards enhancing access to credit were generally effective, notwithstanding start-up and implementation delays. They were in general successful in improving agricultural production and have to date improved over 12,000 hectares of previously un- or under-utilized land. The beneficiaries of the credit component - most of whom have been women - have increased their income through home-based enterprises, mostly in food processing. These are important accomplishments by IFAD-funded projects.
15. All in all, despite an established partnership and some progress achieved in a few areas relevant for the country, the value added of the IFAD-supported programme towards poverty reduction in Jordan has been limited. The country programme has been challenged not only by Jordan's context, but also by the fact that it was not guided by a sound strategy supported by an appropriate choice of interventions. In the view of the CPE, the implementation of the two COSOPs suffered from being too diffused both across the interventions and within specific projects. Each one of the areas supported (rangelands, SWC in rainfed areas and microfinance) would have required a concerted effort both in the initial project and, more importantly, in the scaling up of the projects into broader national programmes. In reality, IFAD achieved either no impact (rangelands and microfinance) or only marginal impact (SWC) over the review period.
16. Moreover, the COSOPs had highly ambitious objectives that were not backed up by adequate analysis, implementation details, and a commensurate level of resources. The IFAD strategy was not tailored to IFAD's limited role as a donor and was inconsistent with Jordan's status as a middle-income country. In these circumstances, provision of financial assistance is not the most important aspect of IFAD's strategy in the country. Rather, the strategy must be rooted in IFAD's ability to act as a knowledge source for specific areas. Neither the COSOPs nor the implementation experience reflect this.
17. In light of the challenges of devising and implementing a rural poverty alleviation strategy in the country and the overall limited results achieved in this respect, it appears clear that a business-as-usual scenario for the country programme is not an option. Future IFAD-Government of Jordan cooperation, if feasible, will need to carefully consider these issues and both parties will have to face important decisions concerning the partnership.

Recommendations

18. The findings and conclusions of the CPE form the basis of a number of recommendations covering options for IFAD's future in Jordan, for consideration by IFAD and the Government of Jordan. Founded on context and past achievement, and in view of current allocation under the performance-based allocation system (PBAS) for 2013-2015 (in which no allocation from IFAD's own resources is foreseen for loans to Jordan) as well as efforts deployed by IFAD to improve country selectivity, the CPE recommends option 1 as the preferred one. It is not easy for the CPE to make this suggestion as it is fully aware that this option will have political implications with the Government of Jordan and IFAD. Nonetheless, the CPE considers that this would be the route that is most coherent with the evaluation's conclusions. Option 2 proposes a number of recommendations as a less-preferred alternative.

Option 1. Disengage from the provision of loans to Jordan

19. In view of the limited potential for rural poverty alleviation in the country (the small number of rural poor present in an urbanized middle-income country), small-scale and limited growth opportunities in rainfed agriculture, and availability of alternative financing sources in the form of grants from other donors, IFAD and the Government of Jordan could agree on disengaging from the current partnership, especially by discontinuing the provision of loans to the country. The need to increase the effectiveness and prioritize the use of IFAD's own limited resources across countries and regions with the aim of maximizing impact on rural poverty alleviation globally would be the main argument underpinning this option.
20. Under this scenario, however, IFAD could still remain engaged in the country through two avenues: the mobilization of non-IFAD resources; and through non-lending activities including grant activities. IFAD is currently the implementing agency of two GEF grants in Jordan. One more is in the pipeline. GEF grants are supporting sustainable land and water management, ecosystem management and new irrigation technology. The projects include policy dialogue and institutional development as part of their objectives. While these grants pursue mainly an environmental goal, they contribute through natural resource management to the broader rural economy and might well indirectly benefit the poor. Thus IFAD could remain engaged in Jordan as an implementing agency for the GEF as its main entry point, in support of agricultural resource management. This is clearly an area where IFAD has a comparative advantage and it can build on past experience, benefiting from lessons learned on what has worked and what has not. In addition to benefits on the ground, the association with the GEF brings potential opportunities for policy dialogue, particularly on climate change.
21. In addition, IFAD could support Jordan through knowledge products and services, policy advice, analysis and partnership building in a limited number of areas agreed between IFAD and the Government of Jordan. The positive contribution of IFAD subregional and regional grants to agricultural research, knowledge exchange activities within the region, and dialogue between international institutions (e.g. ICARDA, IDRC) and the Government merit consideration of further IFAD support to Jordan through these type of services.

Option 2. Renewed lending programme, but with a much sharper and realistic focus and clear poverty orientation

22. The second option would be to continue the IFAD lending programme in Jordan, but with a renewed⁴ and much more narrowly focused strategy that has realistic objectives and recognizes both the circumstances of rural poverty and IFAD's limitations as a small donor, as discussed earlier.
23. **Much sharper and realistic focus on and clear orientation towards poverty alleviation.** Given the small size of the country and its higher income level, IFAD's programme for Jordan will continue to be relatively small. Even with the additional grants and cofinancing that IFAD may mobilize, the total allocation will still be limited compared to the programmes of many other donors. The most obvious priority in a decision to continue the lending programme is to ensure the most effective use of resources by narrowing IFAD's focus. A future IFAD-Government of Jordan strategy would have to be realistic and based on a rigorous analysis of the feasibility of achieving the promised outcomes and a clear link between the proposed actions and the intended results. The strategy should also be conducive

⁴ The Aide Memoire of an IFAD mission to the country in May 2011 provides three possible options to the Government with the aim of enhancing relevance, responding to the desires of target groups and reducing allocations with limited demand and disbursement: i) pro-poor microenterprise development; ii) women's savings and credit groups; iii) value chain development for herbal, medicinal and aromatic plants. At the moment of the evaluation the proposal was not mature enough for the CPE to comment on.

to monitoring. Moreover, contrary to some diverging views,⁵ any future IFAD strategy in the country, including all supporting initiatives, should provide a clear rationale for rural poverty alleviation. It should include well-defined targeting criteria and effective mechanisms to reach the poor.

24. **Select one key area of support.** A future IFAD-Government of Jordan strategy should concentrate on one area of support. The CPE proposes three potential areas for consideration and further elaboration by IFAD and the Government. One is pro-poor rural microfinance, as this has not been covered adequately so far in the otherwise very successful (but mostly urban) microfinance initiative in Jordan that has contributed to augmenting non-farm income through self-employment. A focus on this area would require IFAD to be a partner in the multi-donor dialogue on microfinance, including mobilizing the necessary expertise to be able to contribute to the process. A serious effort in rural finance could consume all available IFAD support.
25. Another option would be for IFAD to support poor small livestock keepers, mostly vulnerable herders in the Badia who are faced with significant input costs (free grazing covers at the maximum three months per year), which is resulting in a reduction in the number of animals in the herd below the viability threshold. IFAD assistance could be provided through the promotion of equitable cooperative organizations combined with access to microcredit to purchase feed and access services (health, breeding). A third possibility for IFAD would be to support the Government's ongoing safety net programmes aimed at interrupting the intergenerational transfer of poverty, such as the Pockets of Poverty and the Hakoura programmes. This would be most consistent with IFAD's poverty alleviation mandate. It would mean, however, IFAD shifting its primary attention away from agriculture and working with a different set of partners (see recommendation on partnerships below).
26. **Focused non-lending services.** Supporting non-lending activities should be at the core of IFAD's programme in a middle-income country such as Jordan, particularly in view of the country's access to many other larger sources of aid. Leveraging the limited financial resources to pursue policy dialogue, transfer knowledge and promote partnerships could be the main thrust of the IFAD strategy in Jordan. The next strategy should therefore identify the most critical reforms that should be pursued and link these to grants, either from IFAD's own resources or from other donors.
27. Potential areas for policy dialogue include: (a) pro-poor rural microfinance aimed at contributing and shaping the current multi-donor dialogue on microfinance, which has focused mostly on urban areas so far; and (b) support the Government in identifying effective measures within its institutional capacity that can reach the poor. MOPIC is currently in the process of defining such a strategy with UNDP assistance. IFAD should join this effort.
28. Promotion of new partnerships and strengthening some of the existing ones should also be a key area of attention for a renewed IFAD-supported programme in Jordan. IFAD should identify institutional partners committed to pro-poor microfinance and with an interest in expanding to rural areas. As discussed in the report, given that the nature of rural poverty in Jordan is such that the solutions are unlikely to be in, or predominantly in, agriculture, IFAD will need to think very differently and diversify its interlocutors in the Government beyond the MOA to include MOPIC, MOSD and NGOs.

⁵ Comments by the current CPM point out that the new IFAD strategic framework focuses on commercial stakeholders, entrepreneurial youth, and rural women, and consequently this recommendation is outdated.

Agreement at completion point

(to be added)

Main report

I. Background

A. Introduction

1. This is the first IFAD CPE for Jordan since the Fund started its operations in the country in 1981. The evaluation has been conducted in accordance with the provisions of IFAD's Evaluation Policy¹ and follows the methodology and processes for CPEs outlined in the Independent Office of Evaluation's (IOE) Evaluation Manual.²
2. As a small middle-income country (MIC), Jordan has a relatively small IFAD loan programme, but is a significant beneficiary of non-lending services from country and regional grants. Figure 1 below provides a snapshot of key data related to the IFAD-supported projects and programmes in the country, which have covered the poorer governorates in Jordan.

Figure 1

IFAD Operations in Jordan

First IFAD loan-funded project	1981
Total loans-funded projects approved	7
Total amount of IFAD lending approved	US\$70.2 million
Counterpart funding (Government & Beneficiaries)	US\$71.9 million
Cofinancing amount	US\$46.1 million
Total portfolio cost	US\$188.2 million
Current lending terms	Ordinary [Intermediate prior to 2007]
Focus of operations	Agriculture and Natural Resource Management, Infrastructure, rural financial services, community development
Cofinancers	AFESD, OFID, GEF, UAE/Abu Dhabi
Number of ongoing projects	1
Total grants amount approved	US\$7.8 million country grants (US\$0.4 IFAD; US\$7.4 GEF); US\$21.0 million IFAD regional and subregional grants covering Jordan
Past cooperating institutions	AFESD (5), UNOPS (1)
Responsible IFAD division for operations	Near East, North Africa and Europe
COSOP	2000, 2007
Country office in Jordan	No
Country Programme Managers (CPMs) since 1995	4
Current CPM	Responsible since February 2011
Principle Government interlocutors	Ministry of Planning and International Cooperation, and MOA

¹ Approved by the Fund's Executive Board in April 2003 (see document EB2003/78/R.17/Rev. 1). Also available on: www.ifad.org/evaluation/policy/index.htm.

² Available on: www.ifad.org/evaluation/process_methodology/doc/manual.pdf

B. Objectives, methodology and process

Objectives

3. The CPE has two main objectives: (i) assess the performance and impact of IFAD-financed operations; and (ii) generate a series of findings and recommendations that will help inform the forthcoming results-based COSOP, which will be prepared by IFAD and the Government in 2013.

Process

4. The CPE has been conducted in five phases. These are: (i) preparation, discussion and completion of the Approach Paper; (ii) Desk reviews of the IFAD programme and its components, by IOE; (iii) country work phase; (iv) report writing; and (v) communication activities.
5. The phase of preparing and discussing the **approach paper** was completed in March 2011 and the draft presented to counterparts in the Ministry of Planning and International Cooperation (MOPIC) and MOA.³ Their views were solicited during the inception visit (IOE lead evaluator Miguel Torralba and consultants' team leader Inder Sud) from 8-15 April 2011. MOPIC welcomed the CPE and provided useful comments and insights on behalf of the Government both in shaping the approach paper and in the subsequent field work for the evaluation.
6. The **desk work phase** included review of available documents on each of the projects included in the CPE and non-lending activities such as policy dialogue, knowledge management partnership building and grants. A Desk Review Report was prepared that provided a consolidated view of IFAD support to Jordan during the review period and the key issues for evaluation. The CPE benefitted from a self-assessment prepared by the Government of Jordan (coordinated by MOPIC). IFAD's Near East, North Africa and Europe Division (NEN) provided an interim assessment of the latest COSOP that it had commissioned in 2010,⁴ but according to NEN staff constraints did not allow it to provide a self-assessment on the IFAD-Government partnership over the review period.
7. The **country work phase** entailed a 4-person main CPE mission, comprising multi-disciplinary expertise that visited Jordan from June 19 to July 8, 2011. The mission held extensive discussions with various stakeholders, including government officials, several non-governmental organizations, academic and research institutions, and representatives from various multilateral and bilateral aid organizations. The mission made field visits to three of the four most recent IFAD-funded project sites⁵ for detailed discussions with the project officials and to get a first-hand perspective from the field.
8. The CPE **report writing phase** was based on the data and information collected throughout the evaluation process. The report was sent to the Government and other partners (e.g., the United Nations Development Programme [UNDP], World Bank, AFESD) for review and comments.
9. The final phase of the evaluation, **communication**, entails a range of activities to ensure timely and effective outreach of the findings, lessons learned and recommendations from the Jordan CPE. *In particular, a CPE national roundtable workshop was held in Jordan to discuss the main issues emerging from the evaluation and laid the basis for the Agreement at Completion Point (ACP), to be signed by IFAD's Programme Management Department and the designated representative of the Government. The ACP is a short document that captures the*

³ The CPE is guided by a core learning partnership (CLP) comprising the main users of the evaluation. This includes the Government of Jordan: (i) Ministry of Planning and International Cooperation (MOPIC); (ii) Ministry of Agriculture (MOA); (iii) Ministry of Finance (MOF); and from IFAD: (i) Director IOE; (ii) Director of NEN; (iii) Jordan Country Programme Manager; and (iv) Jordan CPE Lead Evaluator, IOE.

⁴ COSOP Mid-Term Review, October 2010.

⁵ The fourth project – The Rangelands Development Project – was visited in April 2011 by the PPA mission. The CPE uses the findings of the PPA assessment.

main evaluation findings and recommendations, and illustrates IFAD's and the Government's agreement to adopt and implement the evaluation recommendations within specific timeframes

Coverage

10. It is customary for CPEs to cover IFAD programme over a period of approximately ten years. However, given that this is the first CPE for Jordan, the relatively small size of the programme, and that only one new IFAD-funded project has been approved within the last 10 years, it was decided in agreement with the Government to extend the review period in this case to about 15 years (1996-2011) to capture more fully the evolution of the partnership. There were four projects approved during this period for a total IFAD loan amount of US\$38.7 million, which represents 57 per cent in number and 54 per cent in amount of IFAD commitment to Jordan to-date. In addition, Jordan benefited from several country and regional grants. A chart presenting the time line of loans evaluated by this CPE is included in annex 2.
11. Table 1 provides an overview of the four IFAD-supported projects covered in the CPE.

Table 1

IFAD Supported Projects covered by the CPE

<i>Id</i>	<i>Name</i>	<i>Board Approval</i>	<i>Loan Signing</i>	<i>Loan Effectiveness</i>	<i>Completion</i>	<i>IFAD Financing (US\$ m)</i>	<i>Disburs. %</i>
481	Agricultural Resource Management Project in the Governorates of Karak & Tafila (ARMP I)	06.12.95	15.01.96	11.07.96	30.06.03	12.8	100
1071	National Programme for Rangeland Rehabilitation and Development – Phase I (NPRRD)	04.12.97	03.04.98	04.09.98	30.06.05	4.0	65/(79) ⁶
1092	Yarmouk Agricultural Resource Management Project, (YARDP)	29.04.99	05.08.99	03.04.00	30.06.08	10.1	100
1295	Agricultural Resource Management Project Phase II, (ARMP II)	02.12.04	02.02.05	05.05.05	31.12.15	11.4	53 ⁷

Methodology

12. The CPE focuses on three mutually reinforcing pillars in the IFAD-Government partnership: (i) project portfolio; (ii) non-lending activities (knowledge management, policy dialogue and partnership building); and (iii) the COSOP itself. Based on these building blocks, the CPE makes an overall assessment of the partnership between IFAD and the Government.
13. While each of the above pillars is assessed individually, the synergies between the various projects financed by IFAD and across lending and non-lending activities are

⁶ IFAD loan was reduced to US\$3.3 million in 2004. Figure in brackets refers to % disbursement of net loan amount.

⁷ As of July 2011 at the time of the evaluation main mission in the country. It is 62% as of April 2012.

also analysed. This is important to assess the performance of the COSOP and determine the overall achievement rating for the IFAD-Government partnership.

14. **Ratings.** The performance in each of the above is rated on a scale of 1 to 6 (with 1 being the lowest score, and 6 the highest).⁸ This has been undertaken in order to: (i) be able to reflect the evolution of the portfolio and therefore contribute to learning; and (ii) ensure a fair assessment in relation to accountability recognizing changes in performance throughout the period evaluated.
15. With regard to assessing the **performance of the project portfolio**, the CPE applies standard evaluation methodology for each project using the internationally-recognized evaluation criteria of relevance, effectiveness, efficiency, impact, sustainability, innovation/replication/scaling up, and the performance of partners (including IFAD, the Government and co-operating institutions). Definitions are provided in annex 6.
16. The objective of the CPE was not to undertake a separate in-depth evaluation of each project and programme funded by IFAD in Jordan covered by the CPE. Rather, it makes a broad assessment of each project based on existing literature, data, and other materials made available by the Government or NEN staff, previous IOE project evaluations, and the CPE Mission's own observations and discussions in the field. Thus, these individual project ratings should be viewed primarily as shedding light on the overall portfolio and the COSOPs.
17. The assessment of **non-lending activities** entailed an assessment of IFAD and Government's combined efforts in promoting policy dialogue, partnership building and knowledge management. In evaluating the performance of non-lending activities, just as in the case of the project portfolio assessment, the CPE also reviews the progress made in furthering the main elements of the Paris Declaration on Aid Effectiveness.
18. The assessment of the **performance of the COSOP** includes assessing its relevance and effectiveness. The assessment of relevance covers the alignment of the strategic objectives, the relevance of the strategy, the coherence of its main elements, and the provisions for country programme management and COSOP management. In particular, relevance is assessed in relation to seven elements of the COSOP: (i) strategic objectives, (ii) geographic priority, (iii) subsector focus, (iv) main partner institutions, (v) targeting approach used, including emphasis on selected social groups, (vi) mix of instruments in the country programme (loans, grants and non-lending activities); and (vii) the provisions for country programme and COSOP management. The assessment of effectiveness determines the extent to which the overall strategic objectives contained in the COSOP were achieved.
19. The CPE used **mixed methods** - a combination of quantitative and qualitative techniques - for data gathering. In line with international evaluation practices, the CPE's analysis drew upon self-evaluation data and reports. This was supplemented by field visits. Evaluation findings were as much as possible based on triangulation of evidence collected from different sources. As is usually the case in independent evaluations it was also built upon informed assessments and judgements made by the evaluators.
20. There was extensive information available on the projects, including Project Supervision Reports, Project Completion Reports (PCRs), Interim Evaluation and Project Performance Assessments (PPAs) undertaken by IOE.⁹ However, available information on non-lending activities was not thorough and incomplete, and there

⁸ Older evaluations by IOE used a 4-point rating scale. In such cases, ratings have been modified to the closest 6-point scale with the CPE evaluation team using its judgment based on the CPE assessment when a rating could translate to two ratings.

⁹ ARMP I was subject to an Interim Evaluation in 2004. YARDP and NPRRD were subject to PPAs in 2010, 2011.

was little by way of progress reporting or assessment. This gap had to be filled over time throughout the evaluation process.

21. Special attention is devoted throughout the CPE to understanding the proximate causes of good or weak performance, as this is critical for developing lessons learned for the future Jordan country strategy and operations.
22. **Country work phase method.** As noted earlier, three of the four projects evaluated had closed and were subject either to an Interim Evaluation or a /PPA by IOE. These provided a useful basis to identify on a preliminary basis the key issues the CPE mission. Yet, the mission was able to visit two of the closed project sites (AMRP I, Yarmouk Agricultural Resource Development Project [YARDP]), in addition to visiting the one project – ARMP II – still under implementation. These three projects have similar objectives and features, with significant continuity in staff working on these projects, which made it easier to make an assessment considering both historical and current information.
23. The fourth project – the NPRRD – was the only one of its kind in terms of objectives and had closed more than five years back. This project site was visited only three months earlier by the PPA mission, and the CPE mission relied largely on that mission’s findings on this particular project.

Team composition

24. The CPE team comprised, in addition to the consultant’s team leader (Inder Sud, economist and institutional specialist), specialists on microenterprise/microfinance, agriculture development, SWC, and community development/gender. In all the field visits, the team was accompanied by Government staff from MOPIC, MOA, and the ACC, who acted as the resource persons. From IOE in Rome, Lead Evaluator, Miguel Torralba, joined the mission at the beginning and end of the process.

Key points

- This is the first CPE since the beginning of IFAD operations in 1981.
- The main objectives of the CPE are to: (i) assess the performance and impact of IFAD-financed operations; and (ii) generate a series of findings and recommendations that will serve as building blocks for the formulation of the forthcoming results-based COSOP, which will be prepared by IFAD and the Government in 2013.
- In order to achieve its objectives, the evaluation made an assessment of the project portfolio, non-lending activities and the performance of the two COSOPs for Jordan. Four of the seven projects financed by IFAD in the country were included in the evaluation.
- The CPE process included five main phases: preparatory, desk work, country work, report writing and communication and dissemination. Specific deliverables were produced in each phase, which are all publicly available.

II. Country context

A. Overview

25. Overview. With a population of 6.5 million, Jordan is one of the smaller countries in the Middle East and North Africa (MENA) region. With a per-capita Gross National Income (GNI) of US\$4,350 (2010), Jordan is now officially classified by the World Bank as an upper middle-income country,¹⁰ moving up from its 2009 classification as a lower middle-income country (LMI). The population is urbanized at around 80 per cent and is one of the youngest among middle-income countries, with 38 per cent of the population under the age of 14.

¹⁰ Countries with per capita GNI of US\$3,976-12,275 (in 2010 prices).

26. Economy. Jordan's economy is dominated by services which account for close to 70 per cent of GDP and more than 75 per cent of jobs. The agriculture sector is small. The country is not rich in natural resources. Potash and phosphate are its main export commodities.

Table 2

Agriculture: GDP and Employment

Sector	Contribution to GDP, %	% of economically active labour force
Agriculture	3.4	2.7
Industry	30.3	20.0
Services	66.2	77.4

Source: CIA World Factbook, July 2011.

27. The Jordanian economy has shown impressive performance in the last two decades following economic reforms initiated in the late-1980s in response to a severe crisis which led to an IMF- supported stabilization programme and a major Paris Club rescheduling. Following the successful stabilization, the Government pursued an ambitious agenda of structural reforms that included rationalization of public expenditures, liberalization of trade and investment regimes, encouragement of domestic and foreign private investment, privatization of state-owned enterprises, and promotion of exports.
28. The reform programme has resulted in resumed sustained GDP growth of average 4.5 per cent in 1990-1999, and 6.7 per cent in 2000-2008 (best in the region compared to regional growth of 4.6 per cent in this period). Growth has been driven by foreign direct investments (averaging 10.6 per cent of GDP) and exports (5.6 per cent average annual growth).
29. Sustained growth combined with significant debt write-off/reduction by the official and the commercial creditors resulted in a significant reduction in debt/GDP ratio (200 per cent in 1990 to 85 per cent in 2000). Creditably, pro-active debt management measures (combined with strong growth in the 2001-2008 period) reversed the growth in debt burden to 58 per cent of GDP in 2008. Since then, the Government has adopted a statutory debt ceiling of 60 per cent of GDP, but unfortunately this ceiling was immediately exceeded in the following two years, once again raising concerns about the fiscal outlook.
30. Despite these broadly positive accomplishments, economic management continues to face some significant challenges. Current account deficit continues to be quite large, and has been covered by robust foreign direct investment flows and worker remittances. The bigger challenge has been to maintain financial discipline. Current spending (averaging 81 per cent of total spending in 2005-2008), grew by an average of 16 per cent annually, on par with the annual increase in tax revenues and twice the percentage growth of the economy. External grants remained very high, averaging 3.9 per cent of GDP in 2005-2008. As a result, despite being a period of exceptional growth, Jordan's fiscal balance, excluding grants, remained stubbornly high at about 8 per cent of GDP. Debt also began to rise once again.
31. Concern with widening fiscal deficits and debt exceeding the statutory limit (60 per cent of GDP) once again led the Government to implement major cuts to both current and capital expenditures in 2010, accounting for about 2 per cent of GDP. Looking ahead, there would be a need for continued fiscal stringency, requiring a careful setting of expenditure priorities. The Government recently announced its intention to further reduce debt to GDP ratio (to 50 per cent). These would have an impact on Government's borrowing strategy from various sources, particularly loan funding from donors. Table 3 summarizes the key economic indicators for recent years.

Table 3
Main Macro-Economic Indicators (2006-2012)

	2006 ^a	2007 ^a	2008 ^a	2009 ^a	2010 ^b	2011 ^c	2012 ^c
GDP							
Nominal GDP (US\$ m)	14 638	17 006	20 686	21 046	22 808	24 807	26 877
Real GDP growth (%)	8.2	6.9	5.8	2.4	3.2	3.8	4.3
Origin of GDP (% real change)							
Agriculture	12.6	1.0	-1.5	0.6	2.9	2.3	2.0
Industry	8.9	8.5	4.8	3.0	2.7	4.3	4.7
Services	7.7	8.3	6.0	2.9	3.1	3.9	4.5
Population & Income							
Population (m)	5.8	5.9	6.1	6.3	6.4	6.5	6.7
GDP per head (US\$ at PPP)	4 561	4 859	5 084	5 148	5 243	5 431	5 658
GNI per head (Current US\$) ^d	2 750	3 100	3 660	3 980	-	-	-
Fiscal Indicators (% of GDP)							
Central government budget balance	-7.0	-7.9	-9.6	-12.3	-8.4	-8.0	-7.4
Public debt	69.6	67.5	58.3	64.7	62.4	63.8	64.9
Foreign payments (US\$ million)							
External debt	8 055	8 368	6 550	6 766	6 272	6 717	7 186
Current account balance (US\$ m)	-1705	-2865	-2 141	-1 270	-975	-729	-375

^a Actual. ^b Economist Intelligence Unit estimates. ^c Economist Intelligence Unit forecasts. ^d World Development Indicators.

Source: Economic Intelligence Unit, *Jordan Country Report*, January 2011.

32. **Human development.** Notwithstanding the recent setbacks, Jordan has achieved above-average human development outcomes compared with other LMIs and MENA, and is on track to meet most of the Millennium Development Goals. The maternal mortality rate stood at 59 (per 100,000 live births) in 2009, compared to 230 and 88 in LMIs and MENA countries respectively. Similarly, the infant mortality rate is 22 per 1,000 live births compared to 43 and 27 in LMIs and MENA countries. Jordan's educational record is impressive with a 100 per cent primary completion rate and a 111 per cent ratio of female-to-male tertiary enrollment. Ninety-eight per cent of Jordan's population has access to an improved water source (compared to 86 per cent and 87 per cent in LMI and MENA countries respectively).
33. **Gender.** Despite having virtually eliminated the gender gap in education (and health), and tremendous efforts of the Government and the civil society to emphasize gender parity, gender gaps still persist in economic participation, political empowerment, and socially-structured power relationships. Only 11.5 per cent of females are economically active and unemployment rate for women (24.1 per cent) is more than twice that of men (10.3 per cent).¹¹ Stereotypical traditional practices also restrict women's choices in pursuing non-traditional professions. As a result, women's economic participation is concentrated in the socially accepted professions such as teaching, followed by the health sector and social work. Females own only 5.3 per cent of all businesses and account for only 4.2 per cent

¹¹ Jordan Department of Statistics, Employment and Unemployment Survey, 2010.

of all self-employed Jordanians.¹² In rural areas, only 10.7 per cent of women are employed with only 1 per cent of them working in agriculture.¹³ Because of all these factors, the World Economic Forum (WEF) 2010 Global Gender Gap Report ranked Jordan 120 out of 134 countries.¹⁴

34. **Unemployment.** Commensurate with high growth rate in investments and GDP, job creation in Jordan has been strong.¹⁵ However, unemployment among Jordanian nationals has remained stubbornly high, fluctuating between 12.5 and 14.5 per cent over the last decade. Among the factors explaining the simultaneous existence of high job growth with persistent unemployment among Jordanians is the mismatch between the labor supply and demand, the high expectations of the unemployed (due in part to the existence of high wage jobs in the Gulf countries) and the prevailing low wages of available jobs in Jordan.¹⁶ In addition, the existence of a commendable safety net raises the reservation wage¹⁷ of the Jordanians. One evidence of this is the large number of foreign labor from neighboring countries employed in Jordan, most significantly in agriculture.¹⁸

Agriculture and rural development environment

35. **Overview.** The agriculture sector in Jordan is small, representing currently around 3 per cent of GDP (compared with 14 per cent in Egypt, 9 per cent in Turkey, 21 per cent in Syria, and 17 per cent in average for low and middle-income countries) and employs less than 3 per cent of the country's economically active population. The small size of agriculture is largely explained by severe constraints of land and water, which are under increasing stress. Moreover, the sector has been declining in the economy over the years (from 8 per cent of GDP in 1990) with rising incomes and consequently a significant population shift towards urban areas. Agriculture exports, largely to neighbouring Gulf countries, make a significant contribution to exports (12-15 per cent of total exports in recent years). However, most of the agricultural exports are water-intensive fruits and vegetables which face uncertain future because of extreme and growing water scarcity in Jordan (see below).
36. Agriculture is primarily practised in two distinct agro-climatic regions: (i) the predominantly rainfed highlands, which produce mainly wheat, barley and some pulses, in addition to fruit trees; and (ii) the more intensive, irrigated farms in the Jordan Valley and southern Ghors, which produce fruits and vegetables for the local market and export. Livestock contributes to 55% of agriculture GDP. Livestock-keeping, mainly of sheep and goats, is an important activity in the rainfed, semi-desert areas (the Badia) and contributes to decreasing the vulnerability of the rural poor, despite a fall in numbers of some 30 per cent. Livestock keepers have been affected by sharp increases in the prices of feed and other productive inputs, scarcity of natural feed and water, and animal diseases
37. **Land and water.** Approximately 149,500 hectares (ha), or 1.7 per cent, of Jordan's land area is arable, which represents the smallest proportion of all countries in the region except the oil-exporting Gulf Cooperation Council countries. The Badia, which represents some 90 per cent of the land in Jordan, has an average rainfall of negligible to 200 mm. Though traditionally used for extensive

¹² Jordan National Human Development Report 2011. Small Business and Human Development.

¹³ Official statistics relating to formal employment. Do not take into account casual agricultural work, home-based income generating agricultural activities, backyard livestock keeping, etc.

¹⁴ The report uses four sub-indexes to measure gender inequality: economic participation and opportunity, educational attainment, health and survival, and political empowerment.

¹⁵ From 2000 to 2005, the Jordanian economy created between 24,000 and 44,000 additional jobs per year which increased to 60,000-70,000 by 2008.

¹⁶ "Jordan's Labor Market Paradox", World Bank (2008).

¹⁷ In labor economics, the reservation wage is the lowest wage rate at which a worker would be willing to accept a particular type of job.

¹⁸ Official Department of Statistics indicates about 35,000 male foreign labour employed in agriculture compared with about 15,000 Jordanians. However, the numbers of foreign workers exclude many more who are working in the country unofficially.

grazing the Badia has recently seen a substantial and unsustainable increase in cultivation (cereals, vegetables and fruit trees) under irrigation from deep wells. According to the Hashemite Fund for the Jordan Badia, the population of the Badia has become increasingly settled in recent years, to the point where only an estimated 5 per cent are still nomadic. The resulting intensification of livestock, along with increased crop production, poses an environmental threat to this zone.

38. Of the remaining 10 per cent of land area (approximately 900,000 ha), only 10 per cent is irrigated, mostly in the Jordan Valley. However, the future of water availability for irrigation is uncertain given the very low availability of water and growing competition from the higher value municipal and industrial demand. At 170 m³ per capita, Jordan is among the 10 most-water-scarce countries in the world. The share of water consumed in agriculture has been declining over the last two decades, from 70 per cent in 1990 to 60 per cent in 2005 and 55 per cent in 2010. The decline in the share of water for agriculture can be expected to be even higher in the future as the Government takes steps to arrest the alarming rate of over-extraction of ground water (estimated on average at 66 per cent above replenishment, and as high as 143 per cent for the Azraq basin that supplies Amman) and with the growing municipal and industrial needs. At the same time, Jordan Valley is the only area with significant agricultural potential. The challenge is to transform agriculture in this area from low-value, water-intensive crops to high-value, water conserving crops.
39. The non-irrigated area outside the Badia covers 800,000 ha in the semi-arid to semi-humid zone with an average annual rainfall of 200-400 mm. Wheat is grown in the higher-rainfall areas and barley in the lower-rainfall areas; yields are often low because of the irregularity of rainfall. Fruit trees, mainly olives but also grapes, almonds and stone fruits, are grown, usually with supplementary irrigation. This area has some, albeit limited, potential of agricultural expansion with water harvesting of the type supported by IFAD-supported projects. But even this area faces the prospect of increasingly uncertain and declining rainfall trends that are predicted by some Jordanian researchers. Agriculture activities could never be the mainstay, or even a major part, of rural livelihoods in these areas.
40. **Food security.** The above-mentioned constraints contribute to food insecurity. FAO has identified Jordan as one of the seven most vulnerable countries to the impact of high food prices –which is also related to the Jordanian Dinars exchange rate being fixed with the US\$. Jordan imports around 90 per cent of its cereal requirements and 80 per cent of its animal fodder requirements. Jordan’s self-sufficiency in meat and dairy products amounts to 68 per cent. Nevertheless, the dependence on imports has not affected Jordan’s ability to provide adequate nutrition. According to FAO¹⁹ the number of under-nourished people in Jordan fell from 200,000 in the period 2000-2002 to being statistically insignificant in 2005-2007. Over the whole population, the average dietary energy requirement of 2220 kcal/person/day is more than satisfied by a supply of 2980 kcal/person/day, and in recent years Jordan has maintained food reserves calculated to be sufficient for up to five months.
41. These figures, however, mask pockets of poverty (para. 54) where access to food is problematic. This has prompted a collaboration, over the past year, of UN agencies and the Government of Jordan counterparts under the auspices of UNDP, which has resulted in a framework under the leadership of the MOA to respond to the challenges surrounding food availability and access, and nutrition.
42. The 2008 World Development Report classifies countries based on the share of aggregate growth originating in the agriculture and the share of rural poverty to total poverty. Jordan is classified as an **urbanized country**, with rural poor

¹⁹ http://www.fao.org/fileadmin/templates/ess/documents/food_security_statistics/country_profiles/eng/Jordan_E.pdf. Accessed 8 August 2011.

accounting for around 30 per cent of the total poor and agriculture contributing only minimally to growth (agriculture has grown 0.1 per cent in the period 1990-2005 and it only represents 2.9 per cent of GDP in Jordan).

43. **Government strategy for agriculture.** The Government's National Strategy for Agricultural Development (NSAD) 2002-2010 sets out three main thrusts to support and develop rural areas in the highlands, the Jordanian Badia and the Ghor: i) achieving sustainable agricultural development; ii) achieving food security and reducing poverty in rural areas through the optimum use of natural resources such as soil and water; and iii) providing rural financial and marketing services to farming households.
44. The Government is acutely aware both of the country's environmental vulnerability with regard to water resources and its potential adverse impact on agriculture and rural-urban migration. In its NSAD, the Economic Advisory Council, while conceding that "efforts must aim at building the agricultural economy on the basis of comparative advantage and competitiveness in price and quality", recognises that "agricultural development is also needed to help control migration from rural areas, conserve natural resources, protect the natural environment, and ensure sustainable development". Both MOA and the Ministry of Water and Irrigation (MOWI), along with a number of NGOs and donors in the newly formed Highlands Water Forum (of which IFAD is not a member), are increasingly focusing on water harvesting as a means of more efficient use of scarce water for agriculture. In addition, MOA strategy includes promoting high-value crops that have low water requirements.
45. Jordan has also adopted a comprehensive **National Water Strategy** (2008-2022) to address challenges faced by the water sector. It outlines an integrated approach to the sustainable management of water through a series of actions including public awareness creation, promotion of efficient use of water in irrigation and control of the exploitation of groundwater resources.
46. Unfortunately, the level of effort so far falls short of a strategic orientation for agriculture. The NSAD is essentially a compilation of various programmes and projects under its jurisdiction that are not linked to a well articulated and realistic vision of agriculture. MOA lacks the capacity to effectively shape and implement the country's agricultural strategy. It has continued to be among the weaker ministries, a problem exacerbated by the frequent changes in ministers (the average tenure has been less than one year over the past 20 years). There is also insufficient coordination between MOA and MOWI around the issues of water, with conflicting views about the future water balance and how it should be achieved. MOA is about to embark on developing a new agriculture strategy covering the next ten years and IFAD has agreed to provide financial support. However, MOA would also need to be supported through high level technical support (from IFAD or other donors) to ensure that IFAD's financial support is used effectively to develop a considered strategy that is backed by a thorough analysis.
47. The Badia Restoration Programme (BRP) (managed by the Ministry of the Environment) was created from compensation received by Jordan from international community for the adverse economic impacts of the Gulf war.²⁰ BRP is an important long-term (20 years) government intervention which aims at restoring and managing the ecosystems on a sustainable basis with the participation of the communities.

²⁰ The Gulf Crisis of 1990-1991 resulted in a severe damage to the environment for the surrounding countries, particularly Jordan. It was estimated that the influx of refugees brought 1.8 million sheep and goats to Jordan in the aftermath of the crisis and resulted in damage to the terrestrial ecosystems of the Jordan's Badia. In 2005 the United Nations Compensation Committee (UNCC) awarded Jordan the sum of US\$160 million compensation for the rehabilitation and restoration of its damaged terrestrial ecosystem in the Badia.

48. **Budget.** The Government budget for MOA grew from JD 51 million in 2006 to JD 57 million in 2009, before declining to JD 51 million in 2010 because of budget stringency mentioned earlier and the continuing inability of MOA to spend its allocation. This does not include allocations for the water sector or to the Jordan Valley Authority that fall under MOWI. Capital budget represents 50-60 per cent of the total outlays for agriculture. The budget is allocated along five main areas of activities for which MOA is responsible: livestock and veterinary and laboratory; forest and rangeland and the development of nurseries; plant production and protection; development and land reclamation; and National Center for Agricultural Research and Extension.

Institutional context

49. Jordan's constitution stipulates that the country is a hereditary monarchy with a parliamentary system. The King is the executive head of the Government. The king exercises his executive authority by appointing the prime minister, who then organizes a cabinet of ministers to be appointed by the king.
50. Jordan is divided into twelve regional governates, or muhafathat, each of which is divided into smaller administrative subregions. Each governate is headed by a governor, who is appointed by the king through the Ministry of the Interior. The district government acts as the executive organ for carrying out cabinet decisions on the local level. Jordan is also undergoing transition in terms of decentralization. A national decentralization plan has the goal to divert more responsibility in planning to local authorities.
51. MOPIC coordinates the Government's socio-economic policies, programmes and priorities, and enhances international cooperation aimed at addressing Jordan's priorities. It maintains regular channels with the United Nations and international agency programmes to bring greater coherence to development assistance operations and enhance their impact and effectiveness.
52. The lead agency within the agriculture and rangelands development sector is the MOA. Is the main institution responsible for regulating the agricultural sector, its growth and development. It plays an important role in addressing the needs of the rural poor in both the highlands and the Jordanian Badia. Agencies closely related to MOA include the National Centre for Agricultural Research and Extension (NCARE)²¹ and the ACC. Three other ministries are considered relevant to the rural poor: MOWI; the Ministry of Environment; and the Ministry of Social Development (MOSD).

Poverty

53. Based on the most recent household income and expenditure surveys conducted by the Department of Statistics,²² some 13 per cent of the population was estimated to be below the national average poverty line²³ in 2008 which represents a significant decline from around 20 per cent in the late 1990s. A total of 32 of poverty pockets (sub-districts where the poor constitute 25 per cent or more of the population) have been identified in the country (increased from 22 in 2006).
54. Poverty in Jordan is relatively shallow,²⁴ meaning that a significant portion of the poor are concentrated around the poverty line. The implication of this is that a small increment in consumption expenditures can reduce the poverty level

²¹ The MOA's agricultural extension service was recently (2008) merged with the National Centre for Agricultural Research and Technology Transfer (NCARTT) to form the NCARE, which is semi-autonomous and has administrative and financial independence, receives its core funding from the Government.

²² Report of Poverty Status in Jordan. Department of Statistics, July 2010, Based on Household expenditures and Income data 2008.

²³ Poverty line is estimated at JD 57 per person per month (Approximately US\$2.7 a day). For an average household of 5.7 poverty line is JD 324 per month.

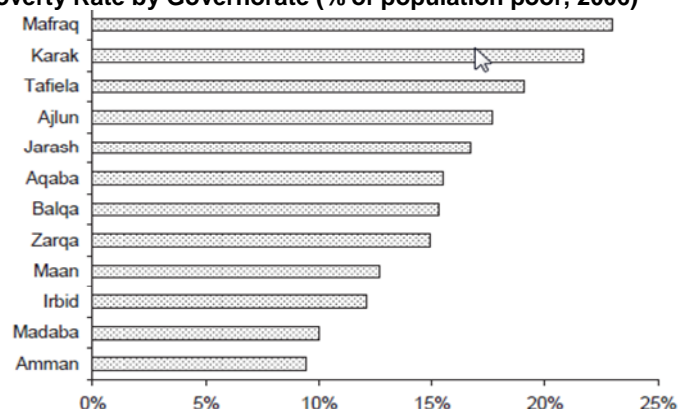
²⁴ The poverty assessment by the World Bank and the Department of Statistics calculates the "Poverty Depth Index" at 0.35.

significantly,²⁵ or a small shock in food prices (and thus reduced consumption level) can increase the level. This points to the critical role the Government's cash transfer programme (see below) plays in alleviating poverty.

55. It is worth noting that most Jordanians consider poverty level to be much higher than is actually the case.²⁶ The term "poverty" is used in the popular Jordanian discourse to describe people such as lower level civil servants who are clearly well above the poverty line, and this image of the poor person has spread. This creates a challenge both for the government and the donors to target their efforts in poverty alleviation.
56. Incidence of poverty is higher in rural areas (19 per cent) than in urban areas (10 per cent). However, only one third of all poor Jordanians lives in rural areas, reflecting the country's high urbanization and population concentration. Poverty incidence varies considerably among the governorates, from a high of 23 per cent in Mafraq, 22 per cent in Karak, and 19 per cent in Tafileh to a low of 9.4 per cent in Amman (Figure 2). On the other hand, the proportion of the total poor Jordanians is highest in Amman (28 per cent) and Irbid (17 per cent) and lowest in Mafraq (8 per cent), Karak (7 per cent) and Tafileh (2 per cent). In other words, largest numbers of poor are not found in the poorest governorates (Figure 3). This poses a challenge for a rural-based poverty alleviation strategy.
57. At the same time, while the majority of the poor are urban, the highest incidence of poverty (pockets of poverty) is found mostly in subdistricts in rural areas – some are in isolated and remote areas while others are merely in areas with a poor resource base and low population density.

Figure 2

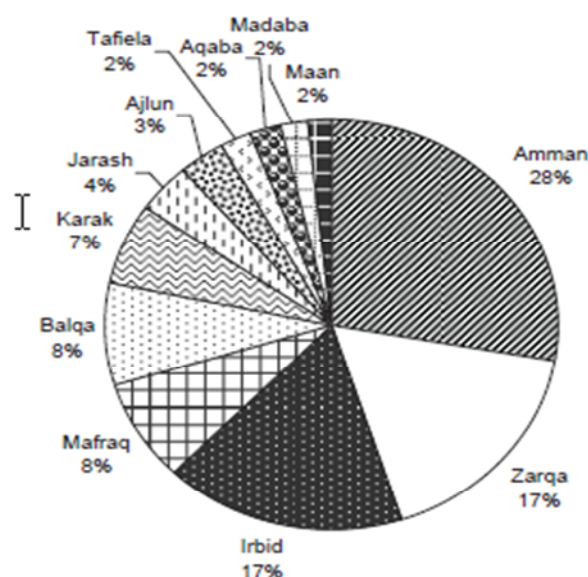
Poverty Rate by Governorate (% of population poor, 2006)



²⁵ The indicative cost of bringing every poor Jordanian to poverty line is estimated to be a mere JD 6.8 million. Of course, this does not include the cost of identifying the poor and for implementing the cash subsidy.

²⁶ Jordan Poverty Update. World Bank and Department of Statistics, MOPIC, Jordan, 2009.

Figure 3
Share of Poor in Each Governorate (2006)



Source: World Bank & Department of Statistics, *Jordan: Poverty Update*, 2009.

58. Three main groups can be distinguished amongst the rural poor. The first is small herders in the Badia, current or former nomads, impoverished as a consequence of reduced range for their animals due to drought and border closures and the removal of subsidies for fodder. The second group is composed of smallholder households, who in the past relied on mixed farming, but today have only a few livestock and derive only part of their income from cereal cropping; their holdings are small. The third group is made of landless rural poor, who essentially rely on wage labour, state assistance, pensions and remittances.
59. The poor in Jordan derive their incomes from diversified sources, comprised of wage employment (49 per cent of total income), income transfers from public and private sources (28 per cent), and self employment (10 per cent).²⁷ Disaggregated information about the patterns of income of the rural poor is not available but is considered to be broadly similar. Agriculture accounts for only a small part of income of the rural poor, likely because of the small size of agriculture particularly in the marginal areas that have the largest proportion of the rural poor.²⁸ According to a recent study by the Department of Statistics and conducted by World Food Programme (WFP) and the Jordanian Alliance Against Hunger (JAAH),²⁹ only 12 per cent of households in rural areas were involved in agriculture cultivation. Participation by the poor in agriculture appears to be even lower. Poverty analysis conducted by IFAD in the course of the preparation of the second COSOP in 2007 estimated that only 8.2 per cent of poor households in Karak and 5.7 per cent in Tafileh were involved in agriculture as their primary activity

B. Public policies for poverty alleviation and donor support

60. **Public policies.** The over-riding policy environment is framed by the National Agenda (2006-2015). Within the National Agenda the government's priorities for development and poverty are set out in its Executive Development Programme 2011-2013. The National Agenda is an ambitious development programme to

²⁷ Report of Poverty Status in Jordan, Department of Statistics, July 2010, pp. 51.

²⁸ The poverty analysis carried out by IFAD in the context of a recent (aborted) project for a National Programme for Strengthening the Agriculture Sector and Food Security (Poverty Targeting and Food Security, Working Paper 1) suggests that the contribution of agriculture to household income is important. This is inconsistent with the data on the composition of household income reported by the Department of Statistics.

²⁹ Food Security in the Poverty Pockets (2008), WFP and JAAH.

further transform the country into a modern knowledge-based economy with higher value added, and increase productivity and employment, with enhanced effectiveness and downsizing of the public service, reduction of subsidization and strong emphasis on new industries, tourism and services.

61. The **Jordan Poverty Alleviation Strategy**³⁰ (2002) set out a road map to improve education, health and employment opportunities for the poor. As part of the strategy, the Government of Jordan maintains an extensive multi-faceted social safety net for its citizens. The three key elements of this are: (i) subsidies for basic food staples, (ii) a well-developed public health and education system that is accessible to the poor, and (iii) a cash transfer programme under its National Aid Fund (NAF) to provide cash subsidies (currently JD 33 per person per month) to poor and disadvantaged, including the disabled. These programmes have been the key contributors to Jordanians enjoying higher social indicators than countries at comparable income level, and to keeping poverty low.
62. In addition, concerned with the potentially negative income distribution effects from the stabilization and structural reform, the Government initiated its Social Productivity Programme (SPP) designed to address both unemployment and poverty. Its features included skills training, improving support for small and medium enterprises, infrastructure improvements in low-income neighbourhoods, and strengthening of NAF to deliver cash transfers to a larger number of poor. MOPIC was responsible for programme implementation. A complementary programme called Enhanced Productivity Programme was launched in 2002, also by MOPIC, to focus much more on employment promotion in micro and small enterprises. It provided targeted support for selected poor rural community clusters, and for promoting enhanced productivity centres that could become focal points for investments.
63. Given their similar objectives and some overlaps, the two programmes were merged in end-2003 into a single Economic and Social Productivity Programme (ESPP) with the following components: i) housing and infrastructure in poor areas; ii) grants for small business development through training, technical assistance, business support services; iii) support for community-based organizations; and iv) improving living conditions and economic development in targeted clusters of villages or communities.
64. In contrast with the original SPP, where the primary focus was on urban areas, ESPP focuses both on poor urban and rural communities. The SPP/ESPP has received support from a number of donors, including the World Bank, UNDP, AFESD, The Islamic Development Bank (IsDB), Italy, and Germany.
65. MOPIC, the Department of Statistics (DOS) and their social sector partners are currently implementing an initiative with assistance from UNDP to develop the measurement and information tools, the analytical and technical capacity, and the mechanisms needed to respond to vulnerability and exclusion in the country. It will provide direct support to the National Agenda 2006–2015 poverty alleviation initiatives.
66. More recently, in 2008, the MOA initiated the "**Hakoura**" (kitchen garden) project to assist poor rural families. The project offers poor families, identified through a community-driven process, two means of diversifying their income sources and improving their nutrition. The choice of support on offer includes poultry production, bee-keeping, three sheep or goats with a 6-month supply of barley and bran fodder, provision of water-wells, vegetable production, medicinal-herb production, water harvesting and small greenhouses with drip irrigation. The project, administered by the MOA and financed from the Treasury, started with a budget of JD 1 million, but after its perceived initial success the budget was

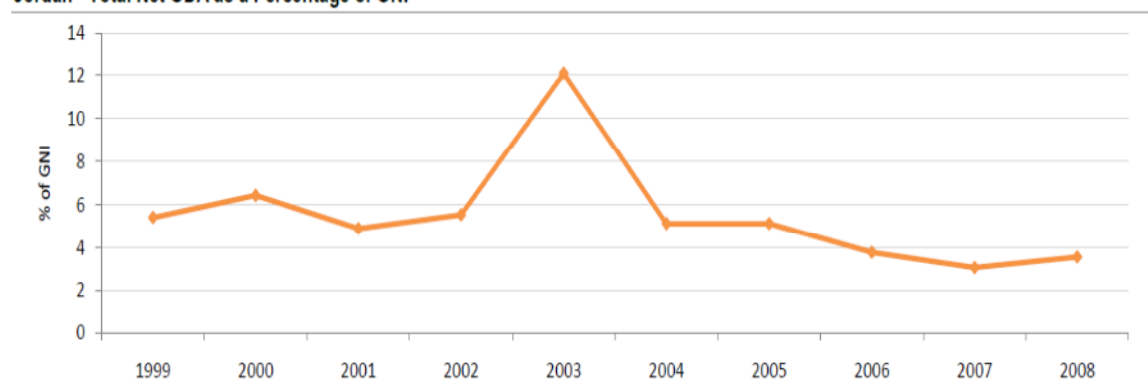
³⁰ Ministry of Social Development. (2002).

increased. The project is now reported to benefit about 1,000 new households each year.

67. There is no independent assessment available as yet of these programmes, so it is difficult to comment on their effectiveness in reaching the poor. A few Hakoura projects visited by the CPE mission looked promising at least in the early stage. The main issue appears to be the sustainability and scalability of the programme, given the time and effort required to reach individual households in widely scattered locations, the limited implementation capacity in MOA, and fiscal constraints of the Government. UNDP³¹ has recently initiated a food security project to assist in capacity building of MOA and in devising an effective strategy for reaching the rural poor.
68. **Development cooperation.** Jordan is among the most assisted countries in the world. Net Official Development Assistance (ODA) received for the last ten years averaged circa US\$630 million per year, equivalent to an average of 5.4 per cent of GNI for the same period (Figure 4). The amount of net ODA per capita received was US\$121 on average for the period 1998-2008,³² double than the US\$55 received on average by low and middle income countries in the MENA region and more than ten times the amount received on average by lower middle income countries worldwide (US\$9) in 2010.³³

Figure 4

Official Development Assistance to Jordan 1999-2008
Jordan - Total Net ODA as a Percentage of GNI



69. The lion share of ODA (circa 80 per cent on average for last ten years) was received in the form of grants from bilateral donors. The largest donor to Jordan is the United States (54 per cent of total ODA). Major international financial institutions and development funds providing loans (and also grants) to Jordan include the World Bank, the AFESD, the Islamic Development Bank, the Saudi Development Fund and the European Investment Bank. Total lending to Jordan in average over the last five years has been around US\$350 million per year.³⁴ Key areas of assistance through loans include: social protection, water, infrastructure, health, education, and energy.
70. Donor funding for the MOA, which is in addition to the government budget funding, averaged JD 9.2 million (approx. US\$12.8 million) per year since 2000. Among others, the bilateral donors to agriculture have included the United States (largest bilateral contributor), followed by Germany, France and Japan. AFESD has been a significant regional donor. IFAD has been the only multilateral agency consistently active in the agricultural sector throughout the past 10 years. Most other donors

³¹ This is a US\$ 1 million project focussed on pilot measurements in 3 communities in different eco-systems. IFAD and the MOA had proposed collaboration with the two GEF grants that may have significant synergies with the UNDP programme, which has been slow to materialise.

³² World Development Indicators Database; data.worldbank.org/.

³³ World Development Report 2010.

³⁴ Ministry of Planning and International Cooperation website. <http://mop.gov.jo>.

have withdrawn their support for agriculture in the last 5 years. IFAD's average commitment in the last ten years was close to US\$4 million, equivalent to 0.6 per cent of average total annual ODA commitments, but around 30 per cent of donor funding for MOA.

71. The World Bank supported a major restructuring effort in the agriculture sector in the 1990s through an Agriculture Sector Adjustment Programme that promoted liberalization of agriculture markets and promoted policy measures for water conservation. The programme was completed in 1997 and evaluated by the World Bank to have been largely successful. The only project in the agriculture sector by the World Bank in recent years has been a pilot project to promote agriculture marketing and exports. The project was considered as unsuccessful primarily because MOA lacked the capacity and orientation to work effectively with the private sector. The World Bank also approved with GEF financing a \$5 million project to promote herbal and medicinal plants, following its highly successful Dana nature reserve conservation project also financed by GEF. MOPIC was the executing agency, The project was completed in 2008 and rated by the World Bank to have been satisfactory.

Key points

- Jordan has undertaken a series of economic reforms that have resulted in significant sustained growth over the last 20 years.
- Thanks to its good growth performance it recently entered the ranks of upper middle-income countries (GNI per capita of US\$4,350 in 2010) moving up from its 2009 classification as a lower MIC.
- Jordan enjoys good social indicators that are better than countries at similar income levels.
- Elevated levels of debt/GDP ratio have posed a challenge to financial stability in last two decades. The Government adopted in 2008 a statutory debt ceiling of 60 per cent of GDP.
- Jordan population is highly urbanized at around 80 per cent.
- Poverty is low (13 per cent overall, 19 per cent rural) and shallow. Rural poor comprise a small proportion of the poor and are scattered widely. This makes it difficult to reach the rural poor through direct interventions of poverty alleviation.
- Agriculture sector is small (around 3 per cent of GDP and employment). Agriculture potential is limited because of severe constraints on land (only 1.7 per cent of the total land area is arable) and water.
- Jordan is among the 10 most water-scarce countries in the world. Demand exceeds sustainable supply that results in serious over extraction of groundwater.
- Agriculture faces the challenge of a continuing reduction in availability of water as the Government is forced to control groundwater over-extraction, and the growing needs of higher-value municipal and industrial activities are accommodated.
- There is not as yet a clear vision developed for agriculture that takes into account the constraints.
- Jordan is among the most assisted countries in the world. ODA per capita was US\$121 per capita between 1998 and 2008 (double than other LICs and MICs in the region). The lion share is grants (80 per cent). The largest donor (54 per cent) is the United States.

III. The strategy adopted by IFAD and the Government

A. Evolution of the country strategic opportunities programme

72. The evolution of IFAD's programme since the start of IFAD operations in Jordan has seen two stages. Early IFAD projects (most of them approved in 1980's and early 1990's) represent a first generation of projects where poverty was basically addressed through increasing access to capital, mostly for on-farm activities with very strong emphasis given to institutional credit through the ACC. Coverage was to a great extent relegated to the western part of the country. The subsequent four projects (starting with the Agricultural Resource Management project [ARMP] approved in 1995) represent a second generation where poverty was addressed through natural resource management (SWC and rangelands management) and coverage extended to more marginal areas/rangelands to the east and to the south of the country.
73. In 1995 (when the first project of the second generation was approved), there was no written country strategy, regional strategy or IFAD corporate strategy per se. Hence the initial operations approved before the first COSOP were essentially designed based on the emerging directions of IFAD's corporate strategy, which was finalized in 1998. Enhancing food production and poverty alleviation, the key goals of the corporate strategy, underpinned the operations. In Jordan's case, SWC and rural credit were the selected areas of focus of the projects. The 1998 strategy also emphasized importance of building institutions and policy dialogue. Three projects (ARMP, NRRD and YARDP) were approved in this period.
74. **The first COSOP.** The first IFAD COSOP was prepared in 2000, for the period 2001-2006. Building on the past satisfactory project experience, the 2000 IFAD COSOP proposed continued support for the two thrust areas under the previous three projects approved in the country: (i) rangeland development, and (ii) agriculture resource development. It also proposed giving emphasis to three "inter-related areas of concentration": (i) institutional building for good governance with special emphasis on the public institutions providing support to the rural sector; (ii) poverty reduction, with special emphasis on social and economic empowerment of the rural poor, including women; and (iii) protection of the environment, with special emphasis on conservation of natural resources, soil, water and rangelands. Finally, it proposed five "main thrusts": (i) rural finance, (ii) beneficiary participation, (iii) partnership with the private sector, (iv) technology transfer, and (v) gender and development. These varying terms of usage to underpin the COSOP appear confusing and tend to mix goals, means and outcomes.
75. Out of the four projects covered by the CPE, only one project (ARMP II) was approved within the period covered by the 2000 COSOP. As indicated earlier, the other three were approved by the EB before the 2000 COSOP. Nevertheless, there has been significant continuity between the thrust of the three projects approved before 2000 and the first COSOP, albeit with some variation in emphasis and approach.
76. The COSOP identified four key areas where IFAD could advance broader policy dialogue in the sector based on the significant experience IFAD had accumulated: (i) land use planning that takes in accordance with various climatic conditions and agriculture potential, (ii) support to the Council for the Development of Rainfed Areas, (iii) establishment of a national fund for the development of rainfed areas, and (iv) supporting the enforcement of the law on property rights in the rangelands.
77. The COSOP envisaged IFAD financing of one project every two years during the 2002-2006 cycle with an average loan size of US\$8-10 million. It expected this frequency of lending necessary to maintain a policy dialogue on the development of

rained areas. In the event, as indicated earlier, only one IFAD project was approved in this COSOP period.

78. **The second COSOP** was prepared in 2007 for the period 2008-2012 under the new Results-Based COSOP guidelines. As required under the new guidelines the COSOP 2007 was prepared in partnership with the Government. A consultative workshop (attended by the Government, members of the donor community, farmer's organizations and NGOs) reviewed and endorsed IFAD country programme strategic objectives.
79. The 2007 COSOP intended to respond to the changes in the Jordan socio-economic and development environment and to take into consideration new poverty reduction strategy documents prepared by the Government after the previous 2000 COSOP. The COSOP mentioned that IFAD was recognized by the Government of Jordan as "the leader in participatory rural development in the country and wishes it to continue to delivery assistance in this field".³⁵
80. The COSOP defined **three strategic objectives** "in line with IFAD's comparative advantages in Jordan":
- (i) improved access to markets, rural finance and technical advisory services for poor rural women and men, which seeks to enable the rural poor to enhance and diversify their on-and off-farm income-earning opportunities;
 - (ii) improved and sustainable access to land and water resources for poor rural women and men, focusing on the need for an integrated approach to natural resource management and addressing the issues of water containment and watershed management, water harvesting, spring rehabilitation, water-use efficiency, land-use planning, highland and rangeland rehabilitation, and land usufruct and tenure arrangements on the Badia; and
 - (iii) strengthening the capacities of rural poor and their organizations, focused on improving the capabilities of community organizations to respond to the needs of the poor and manage local resources.
81. These strategic objectives reflected by and large a continuation of the objectives that had been pursued by IFAD since 1995 in all its projects. In addition, the 2007 COSOP contemplates to enhance and diversify off-farm income-earning opportunities.
82. The COSOP envisaged **poverty thrust** of the programme was to be maintained by focusing interventions in the poorer areas of the country that include rangelands and rained agriculture areas, and on unemployed and underemployed landless rural poor. The poor were specifically defined as those earning less than US\$2 per day, a level higher than the (2004) national poverty line of about JD 392 per year, or US\$1.50 per day, which correspond roughly to the lowest quintile.³⁶ A total of 15 project areas were to be selected in different ecological zones in order to capture lessons for poverty reduction that are relevant and replicable in rural poverty zones nationwide. **Gender** was to be addressed as a cross-cutting issue across all interventions. Women and youth were to be specifically targeted for SWC and rural finance services. The COSOP also expected addressing climate change through adaptation measures, including strengthening of resilience of the target group through diversification of livelihoods and rehabilitation of land and water resources.
83. The COSOP envisaged advancing **policy development** through an ambitious agenda for policy dialogue in the following areas: (i) improvement in the

³⁵ See IFAD (2007), paragraph. 36.

³⁶ The choice of a higher poverty line was based on the view of United Nations Capital Development Fund that US\$2 per day is a more appropriate poverty line for a middle-income country. The 2004 poverty assessment estimated 19 per cent of the rural population to be below the official poverty line. The COSOP estimated that 34 per cent of the rural population was below the US\$2 per day poverty line.

environment for microfinance services in rural areas, including through public-private partnerships, (ii) engaging MOA in the agricultural marketing chain development, (iii) preparation of a new framework for agricultural production and marketing, (iv) link IFAD's approach to land and water conservation to the Government's water policy, (v) support for the implementation of conducive land tenure and usufruct rights in rangelands and public lands, (vi) support MOA and National Center for Agricultural Research and Technology Transfer (NCARTT) in the elaboration of a comprehensive policy of national extension strategy, and (vii) a review of and dialogue on the regulatory framework for farmer organizations and associations. As discussed later, few of these areas were actually pursued in any great extent.

84. The COSOP envisaged extensive **partnerships** with a number of other multilateral and bilateral donors and agencies: with UNDP, FAO, UNIDO and WFP on poverty reduction, natural resource management, and improved governance according to their respective roles in the United Nations Development Assistance Framework (UNDAF); continued collaboration with AFESD, GEF, the Global Mechanism of the Convention to Combat Desertification, GTZ, International Center for Agricultural Research in the Dry Areas (ICARDA), the International Center for Biosaline Agriculture (ICBA), and the OPEC Fund; new collaboration with the Consultative Group to Assist the Poor (CGAP); the World Bank in the context of its support for marketing of herbal and medicinal plants; USAID's Economic Opportunities for Jordan Programme; and Japan International Cooperation Agency (JICA) in their interventions in the Badia and the Ghors. ICARDA was to continue to be a partner in various grants and technical assistance activities. The Hashemite Fund for the Development of the Jordan Badia was to be a partner, presumably for the proposed next phase of the rangelands project. The COSOP also envisaged partnership with the private sector, but without specifying the areas.
85. **Knowledge management** under the COSOP was to be first and foremost through strengthening M&E of the projects, with lessons disseminated in partnership with MOPIC, and through the Donors and Lenders Consultation Group and MOPIC's aid coordination unit. In addition, dissemination was to be supported through the Knowledge Access in Rural Interconnected Areas Network (KariaNet), and the NENA Regional Programme for Capacity-Building in Managing for Results and Impact (CaMaRi).
86. The COSOP also described an ambitious agenda for **innovation** including: quality control and linkages to national and international markets; introduction of new higher-value activities, including eco-tourism; new methods of delivering rural financial services to the poor; integrated land use and watershed planning; extending participatory approaches that were deemed to have been successful in the Badia; and promoting farmer organizations. As for policy dialogue, most of the innovation agenda remained aspirational only.
87. With regard to **grants**, the 2007 COSOP mentions "ongoing and future support through research grants, GEF programming linked with IFAD projects, and IFAD grants for testing innovative solutions in service provision (e.g. in microfinance, value chain development and agricultural advisory services).
88. The formulation of the COSOP built on various supporting documents including a poverty analysis (updating the more detailed poverty studies by the Government of Jordan and the World Bank), targeting strategy, a Strengths, Weaknesses, Opportunities and Threats analysis of various institutions, and mapping partnership potential and target groups. Most of the background papers underlying the analysis reviewed by the CPE mission appeared sound. However, it is unclear how these analyses fed into the COSOP formulation or in defining its strategic thrust. On the critical issue of poverty targeting, the COSOP did not take adequate account of the socio-economic characteristics of the poor and their livelihood strategies that were

already evident from the previous poverty studies and the analysis by IFAD consultants. The inadequacies of the monitoring and evaluation (M&E) systems in the projects also unfortunately did not point out to the lack of poverty targeting that had been evident for some time.

89. The 2007 COSOP did not provide any analysis of the reasons why the projects anticipated in the previous COSOP had not materialized. It nevertheless envisaged IFAD financing two new projects over the next 5-year period for a total of around US\$22 million. To-date, IFAD has not been able to provide any loan to finance new projects during the COSOP period.³⁷

Table 4

Main Elements of the 2000 and 2007 COSOPs

<i>Key Elements of the Strategy</i>	<i>COSOP 2000</i>	<i>COSOP 2007</i>
Strategic Objectives	Support: (i) rangeland development, and (ii) agriculture resource development. Focus on three “inter-related areas of concentration” : (i) institutional building for good governance; (ii) poverty reduction, with special emphasis on social and economic empowerment of the rural poor, including women; and (iii) protection of the environment, with special emphasis on conservation of natural resources, soil, water and rangelands.	Support: (i) improved access to markets, rural finance and technical advisory services for poor rural women and men, (ii) improved and sustainable access to land and water resources for poor rural women and men, and (iii) strengthening the capacities of rural poor and their organizations.
Geographic Focus	Focus projects on rainfed areas (Wadi El-Arab basin in the northern highlands, and Wadi Hisban Basin in the south) and the badias.	Poor rural areas in different ecological systems (rangelands, highlands and the Ghors).
Subsector focus	Rangeland rehabilitation and development; soil and water conservation; agricultural development; rural finance.	Rangeland rehabilitation and development; soil and water conservation; agricultural development; agriculture marketing; rural finance.
Main partner institutions	Government partners: MOA, MOPIC, NCAART. NGOs: JOHUD, Noor Al-Hussein Foundation, CARE. International Organizations: AFESD, ICARDA, ACSAD, GEF, USAID, GTZ, JICA.	Government partners: MOA, MOPIC, NCAART, Hashemite Fund for Badia Development. NGOs: JRF, NHF. International Organizations: FAO, WFP; UNDP, Abu Dhabi Fund, AFESD, GEF, GTZ, ICARDA, ICBA, OPEC Fund, CGAP.
Targeting approach	Rainfed areas and badias.	Focus projects in the poorer areas within the governorates with the highest proportion of rural poor. Women to be specific focus.
Country programme mix (loans, grants)	Loans of US\$8-10 million every two years at intermediate terms (subject to national income figures at project appraisal).	About US\$3.7 million per annum in loans, subject to PBAS revisions.
Country programme management	Not specified, but assumed to be from Rome with supervision entrusted to AFESD or other international organizations.	Rome-based CPM and CPMT. Direct supervision of portfolio.

90. While the objectives and thrust areas under the two COSOPs were defined in different terms that could be read to mean a significant shift in emphasis and approach between the two, in practice there was a fair degree of commonality (see Table 4). Both aimed at helping the rural poor by supporting agriculture in rainfed

³⁷ However, the level of grant activities and cofinancing in Jordan has been high. During the present COSOP two GEF projects administered by IFAD have been introduced (US\$7.4 million) and one is in the pipeline (US\$2 million), totalling US\$9.4 million (see grant section).

areas, income-generation through non-farm activities, and empowerment of communities, particularly women, in planning and managing their resources. There are some differences in the COSOP 2007 compared to the previous strategy: the COSOP 2007 incorporates access to markets and technical advisory services as new strategic objective, identifies its geographic focus in "poor rural areas in different ecological systems", considers supporting savings and credit groups, and drops institutional building for good governance as one of its areas of concentration.

B. IFAD-supported projects and programmes

91. IFAD-supported operations in Jordan include both loans for programmes, grants and non-lending activities, including knowledge management, policy dialogue and partnership building – which are often financed through grants. The largest part of the operations consists of loan-funded development projects.
92. Since its first operation approved in 1981, IFAD has financed seven projects in Jordan with a total project cost of US\$188.2 million (see annex 3). Out of this, IFAD provided US\$70.2 million in loans, which represents 3.9 per cent of regional financing and 0.6 per cent of total IFAD financing. A total of US\$46.1 million were provided by cofinanciers and about US\$71.9 million was the counterpart contribution (both from Government and beneficiaries).³⁸ A total of US\$0.4 million has been provided to Jordan in the form of IFAD country grants and Jordan has participated in IFAD NEN subregional and regional grants (US\$21 million) dedicated to support inter alia knowledge sharing, capacity building and to support specific activities or components in the context of loan-funded operations. In addition Jordan has benefitted from two country grants from the GEF for total US\$7.4 million. The first GEF grant (MENARID) cofinances ARMP II.³⁹ The second one is a stand-alone grant. Of the seven projects supported by IFAD, six are closed and one is ongoing. annex 3 presents list of grants to Jordan. The four projects covered by the CPE are presented in Table 5.

Table 5

IFAD-supported Projects covered by the CPE

<i>Project</i>	<i>Project Cost</i>	<i>IFAD Financing</i>	<i>Cofinancing</i>	<i>Approval Year</i>	<i>Completion Year</i>
Agriculture Resource Management Project	18.5	12.7		Feb 1996	Dec 2003
National Programme for Rangeland Rehabilitation and Development	9.0	4.0		Dec 1997	Dec 2005
Yarmouk Agricultural Resource Management Project	28.1	10.1	UE/Abu Dhabi 5.0 OFID 5.0 AFESD 2.7	Apr 1999	June 2008
Agriculture Resource Management Project, Phase II	41.8	11.4	GEF 6.4 OFID 10.2	Dec 2004	Dec 2016 (projected)

93. The last project funded by IFAD in Jordan was approved by the Executive Board in December 2004. In 2009, following the request of Jordan's Governor (Minister for Planning and International Cooperation) at the 32nd Governing Council, IFAD prepared a project proposal "National Programme for Strengthening the Agricultural Sector and Improving Food Security". The Government was unable to conclude this

³⁸ All figures are calculated based on the current financing amount.

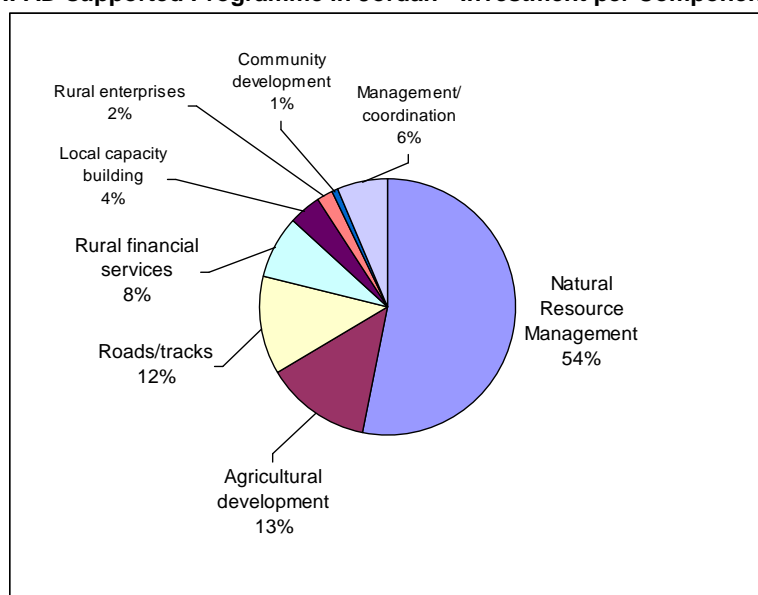
³⁹ MENARID finances the Sustainable Land Management component in ARMP II. It was approved in September 2008 and became effective in May 2009, four years into the implementation of ARMP II (effective May 2005).

collaboration apparently due to Jordan's public finances law which limits public debt to 60 per cent of GDP, combined with MOF/MOPIC concerns about slow implementation and large undisbursed or cancelled funds of recent projects. No new loans have been provisioned for Jordan in the current replenishment/Performance Based Allocation System (PBAS) programme of work (2010-2012).

94. Per component (Figure 5) the lion share of the portfolio supported by IFAD in Jordan over the last 15 years is concentrated in natural resource management (54 per cent of funds approved), mainly SWC. The second component in order of importance is agricultural development (technology development and technology transfer, fruit trees/orchards, livestock) followed by roads/tracks and rural financial services.

Figure 5

IFAD-supported Programme in Jordan - Investment per Component Type



95. The following cofinancers have participated in IFAD-financed projects in Jordan: the AFESD, OPEC Fund for International Development (OFID), the Abu Dhabi Fund, and GEF.
96. In the 2007-2009 cycle of the PBAS, the level of funding allocated to Jordan was US\$10.5⁴⁰ million, which was unutilised. For the 2010-2012 cycle no PBAS funds were allocated to Jordan. According to the COSOP MTR (October 2010) "in 2008, with the indication that the Government had placed a moratorium on borrowing due to its foreign debt having reached its cap set by the Ministry of Finance (MOF), Jordan was removed from the allocation of IFAD lending resources for the three year rolling allocation for 2008-2010 in the Near East and North Africa Region". IFAD loans to Jordan were provided on intermediate terms.⁴¹ Lending terms for Jordan were revised to ordinary⁴² since 2007 and will apply to future loans.
97. The Government's authorized representative of the Borrower/Recipient for IFAD in Jordan is MOPIC. MOPIC is the first point of contact for IFAD's country programme. The lead executing agency for IFAD-funded operations in Jordan has been MOA - currently responsible for one project - . The Income Diversification Project

⁴⁰ Progress report on the implementation of the performance-based allocation system, Annex II, Final 2007-2009 allocations. EB 2009/98/R.56.

⁴¹ IFAD lends on highly concessional, intermediary or ordinary terms.

⁴² Ordinary terms are close to market rates and usually apply to middle-income countries. In September 2008 IFAD adopted the SDR LIBOR as IFAD reference rate.

(not covered by this evaluation) was co-executed by MOA and the ACC. The NCARE was responsible for provision of technical services in several projects evaluated.

C. Country programme management

98. Supervision was entrusted to AFESD in five out of the seven projects supported by IFAD in Jordan. The United Nations Office for Project Services (UNOPS) replaced AFESD as the Cooperating Institution for IFAD-supported projects in Jordan in 2005. It supervised the last three years of YARDP and the first three years of ARMP II. In line with IFAD corporate decision, supervision arrangements for the IFAD-supported projects in Jordan have been revised. IFAD is responsible for direct supervision and implementation support of its portfolio in Jordan as of 2009. There is no country presence in Jordan. The country team working on Jordan includes a CPM and a Programme Assistant. As it is the case for other small country portfolios, they are not devoted full-time on the Jordan portfolio as they have other country responsibilities. Both are based in Rome.

Key points

- IFAD operations in Jordan commenced in 1981. Since then seven operations have been approved for a total project cost of US\$188.2 million, of which IFAD provided US\$70.2 million.
- The level of grant activities has been substantial, both through country and regional grants.
- The first COSOP for Jordan was approved in 2000 and the second in 2007. There has been only one new IFAD loan during the two COSOPs. IFAD programme has been constrained by Government's efforts to limit public debt.
- Focus of IFAD projects until 1993 was increasing rural income in rainfed areas, both on and off-farm. Since 1995, the emphasis shifted to addressing poverty through natural resource management in more marginal areas and the rangelands.
- The two COSOPs during the review period had the objective of increasing incomes of the rural poor by supporting agriculture in rainfed areas, income-generation in rural non-farm activities, effective management of natural resources (soil and water) in the rainfed areas and the Badia, and empowerment of communities, including women, in planning and managing resources.
- Poverty alleviation, community participation and empowerment, including specifically women, have been consistent themes of IFAD programmes and projects.
- Supervision of projects was assigned initially to AFESD, and subsequently to UNOPS, before IFAD took over the responsibility starting in 2009.

IV. Portfolio performance

99. The four projects under consideration in the CPE are here assessed in accordance with internationally recognized evaluation criteria of relevance, effectiveness, efficiency, impact and sustainability. In addition, in accordance to IOE Evaluation Manual the CPE assesses innovations, replication and scaling up as well as contribution to gender equity and women empowerment. The portfolio covered by the evaluation extends over 15 years - and each project has a different set of objectives assigned to its sub-sectors. The CPE has therefore distilled the main cross-cutting objectives from the projects and discussed these in relation to the evaluation criteria.

A. Characteristics of the portfolio

100. IFAD's project portfolio is concentrated in the poorer, marginal arid and semi-arid parts of the country with annual rainfall of between 200 and 600 mm. The poverty focus of the projects was pursued by targeting governorates with relatively high levels of poverty (as determined by proportion of population in the governorate)

and, starting with ARMP II, specific districts within the project governorates that had a high level of poverty. The target group was defined as “disadvantaged and resource-poor” families, and targeting pursued by establishing land size maximum limits for investments in resource management on the assumption that these are likely to be representative of the target group. Landless poor were to benefit from credit.

101. All four projects assessed were designed around three common characteristics: i) resource management (SWC, and water resource development), credit, and extension services to increase agriculture and/or livestock production in rainfed areas; ii) provision of micro-credit to promote off-farm self-employment, particularly for the landless poor; and iii) community participation and development. SWC was the central feature.
102. Three projects (ARMP I, YARDP and ARMP II) dealt with resource management and increasing rural livelihoods in semi-arid areas in three governorates - including two of the poorest governorates in Jordan (Karak and Tefileh). The fourth project (NPRRD) covered rangeland development in the Badias (or Steppe, which is a desert-like lands, with average rainfall of less than 200mm per annum) with a focus on rangeland management for livestock development, in the governorates of Mafraq and Karak, also among the poorer governorates.
103. **Poverty alleviation** through increases of income from agriculture and off-farm was the ultimate goal of SWC efforts in ARMP I, YARDP and ARMP II. Poverty alleviation was not the main focus of NPRRD, since successful rangeland management depended on all the herders (poor and non-poor) participating. In any case the project does address poverty as nomadic herders that make a living in the Badias are generally considered to be among the poor.
104. The three projects designed around **Agriculture Resource Management**, had largely similar objectives and components. The objectives were to improve farm and off-farm incomes through improvements in marginal semi-arid lands. Project interventions were designed to: i) arrest land degradation from erosion; ii) harvest rainwater and store it in on- or off-farm structures to provide water for cultivation of tree crops (predominantly olive) and/or to meet the water needs of animals; and iii) provide technical and financial support to farmers to encourage tree plantation, to improve yields from existing trees or livestock development. Off-farm income generation was supported through the promotion of microenterprises through provision of training and credit to women.
105. Project **investments in resource management** were of two types: (i) on-farm structures designed to benefit the individual landowner, and (ii) off-farm structures that benefit a group of land owners, a village community or nomadic herders. **On-farm** structures include terracing and stone walls, cisterns, and boundary fencing. The farmers were expected to contribute a part (at least 15 per cent in YARDP). In practice this has been achieved by disbursing the farmers upon completion of SWC investments at specified unit rates that capture adequate farmer contribution. The subsidy for on-farm investments was restricted to owners with less than 50 du of land, and the payment limited to investments covering 25 du (reduced by a decision of the Project Steering Committee in 2009 to 10 du to make IFAD-funded projects consistent with other government-funded SWC projects). Land with a slope of between 8 per cent and 35 per cent was eligible for SWC investments, as this range encompasses the type of slope generally occupied by tree crops. However, in some especially poor areas of YARDP, the lower limit was reduced to 0 per cent in 2008 in order to encourage wider farmer participation. Farmers in these areas who cultivated lands of less than 8 per cent slope were provided with extension services to encourage the adoption of the MOA’s ‘minimum package’ for cereals and legumes.

106. **Off-farm** investments include rehabilitation of springs and canals to improve water delivery to groups of farmers, small check-dams and gabions to arrest erosion from water runoff, and 'hafiras' to collect rain water for cattle.
107. In YARDP, SWC initiatives were to be financed based on master land use plans developed for selected priority watersheds with the consensus of all resource users. An integrated ridge-to-valley approach⁴³ to watershed management would be introduced, which would entail the coverage of all families living in the selected area.
108. The sustainable land management component in ARMP II (cofinanced by GEF, effective in May 2009) plans to pilot in three sites the adoption of an ecosystem-based approach to the project development activities. It will promote integrated sustainable on-and off farm land use practices for agriculture, grazing rangeland and forest lands to minimize the causes and negative impacts of land degradation. It will promote community and agro-ecosystem planning to integrate sustainable land and water management practices into community-based natural resource management. The component also includes facilitation for enhancing the enabling policy, regulatory and incentive frameworks that govern natural resource use, promote integrated land use planning and mainstream sustainable land management into national planning frameworks.
109. **Agricultural development** on farms receiving SWC investments was supported by a number of initiatives, including providing subsidized seedlings, encouraging the diversification of tree crop species, and assisting with the rehabilitation of old olive groves by deep pruning. The projects also provided livestock husbandry demonstrations, veterinary assistance and advice on managing livestock reproduction. These services were provided by the staff in the PMU, in coordination with the extension staff, previously in the governorate offices of MOA and now in the governorate offices of NCARE.
110. **Rural roads.** Projects also provided financing for the construction of rural roads in the project area to facilitate transportation of agricultural goods and services and improve access to markets. These roads were to be selected on the basis of community demand. Rural roads in Jordan are the responsibility of the Ministry of Public Works and Highways (MPWH).
111. **Microcredit** was included in all three projects to promote off-farm income-generating activities, particularly for women. Landless were also the target for credit, since they were considered to be among the poorest and without any possibility of income augmentation through agriculture. ACC was responsible for managing the credit, including initial appraisal of beneficiaries (based on the recommendations of the PMU) and for subsequent loan administration. The PMU arranged for training of the beneficiaries as a pre-condition for qualifying for ACC credit.
112. **Community participation** in planning and implementation of investment has been a central feature of all three projects. The ARMP and YARDP envisaged engagement of NGOs in community mobilization, but this approach was abandoned in ARMP II because of resistance to the approach by MOA. A special unit has been created within the PMU in ARMP II to handle community participation. The latest project, ARMP II, also envisaged mobilizing the communities through the establishment of local community committees (LCCs), that were to be involved in the preparation of CAPs to reflect community priorities. All three projects envisaged the establishment of WUAs.

⁴³ The "Ridge-to-Valley" approach is a terminology generally used in watershed projects for development of rainfed areas by providing different treatments starting from the "Ridge" point to the "Valley" of a selected watershed area. The treatments to be given at various points in the selected watershed area vary depending upon the land class and its capability and are decided as part of a holistic and comprehensive approach for development of the entire watershed as a unit.

113. Poverty alleviation and gender empowerment were explicit objectives of all three projects. **Poverty targeting** in the first projects was to be achieved by targeting SWC investments in the poorer areas (as determined by a Rapid Rural Appraisal supplemented by the views of PMU staff) in governorates with the largest proportion of poor, and limiting investments in SWC to land owners in the project area with the smaller land holdings (less than 50 du of land).⁴⁴ For income generation activities (IGAs), the target group for the training and credit was poor women, with targeting to be assured by keeping the loan size small (initially less than JD 3,000, subsequently increased to JD 5,000). Various attempts were made in all three projects to persuade ACC to modify its collateral requirements that were considered an obstacle to reaching the poor, but these attempts were spurned by ACC management. The YARDP envisaged engaging an NGO to deliver credit, but this also did not materialize. ACC has continued to be the vehicle for credit until now. In this case ACC had sought full collateral for the loan from the NGO, while the NGO sought to operate as an agent for ACC.
114. The **gender** objectives of the projects were to be achieved by specifically targeting women and female-headed households as the beneficiaries (exclusively for IGA credit) and by ensuring that women are represented adequately in the various community groups. In addition, in ARMP II envisaged supporting women's cooperatives and charities in their income generation activities.
115. The other project (NPRRD) approved in 1997, focused **on rangeland management** and rehabilitation and aimed specifically at arresting and reversing the decline in rangeland resources in Jordan that is closely linked with the increase in livestock numbers by nomadic herders. The project was the first phase of what was envisaged to be a national programme. The project was dedicated to the establishment of a database on rangeland resources and a national monitoring system, increasing environmental awareness in the utilization of rangeland resources; and to implementing participatory methods for rangeland resource planning and management that would serve as the model for the national programme. Rangeland management plans were to be implemented in five pilot sites located in Al Ma'raq and Ma'an governorates, the two governorates with the largest Badia areas.
116. Organizing the communities into rangeland management groups (RMGs) was at the heart of the project design. RMGs were constituted in each of the pilot sites from existing community-based cooperatives or associations. It was envisaged that with community ownership, supplemented by incentives such as the provision of subsidized fodder, communal water sources for cattle, and introduction of improved fodder, would result in more sustainable resource utilization, including periodic resting of the rangelands.
117. All four projects were implemented by a PMU created specifically for the projects within the Projects Department of MOA.
118. In addition to the four projects mentioned above, a new GEF-financed stand-alone project was approved in May 2011 and another one is in the pipeline (see grant section on chapter VI)

B. Relevance

119. The assessment of relevance reviewed whether project objectives were aligned to the needs of the rural poor, with the Government of Jordan strategies and policies, as well as with IFAD priorities and objectives as defined in the COSOP. The CPE also assessed whether project designs were adequate to achieve their objectives, taking into account inter alia the characteristics of the Jordan country context. The

⁴⁴ There is conflicting data on the maximum size of farms that have been targeted in practice, with some reports indicating 100 du as the maximum (see MTR for YARDP, August 2006). In practice, the land size was immaterial in targeting: it did not bear any relationship to income levels, and several landowners reportedly subdivided larger land holdings to benefit from the SWC subsidy.

relevance of the portfolio has been evaluated through an analysis of each of the four projects covered by the CPE.

120. All four projects pursued objectives that are relevant to the country's priorities and strategies. The NPRRD was an important initiative that started the process of dealing with the issue of rangeland degradation in Jordan. Over-grazing in the Badias pose not only serious risk to sustainable livelihoods of herders, but also to increasing desertification. The project supported important institutional development measures for the sector, such as the establishment of a national database on rangeland resources, a dedicated unit (Pastoral Resources Information Monitoring and Evaluation [PRIME]) in MOA for monitoring and evaluation of rangeland resources and to provide leadership in developing national policies for the Badia.
121. The **SWC components** of the three agriculture management projects dealt with issues of land management and water scarcity, while also encouraging expansion of agriculture in semi-arid areas. These objectives were in line with the National Agriculture Strategy, which includes the optimum use of natural resources such as soil and water as one of its three main thrusts. Starting with the first ARMP, these projects have been modelled on successful SWC investments that were common in Jordan many years ago and revived successfully on a large scale in the Zarqa governorate in the 1980s with German assistance.
122. On **agricultural development**, assistance with, and encouragement of tree planting (e.g. olive trees, fruit trees and grapes) on lands brought under SWC is in line with MOA objectives although it has occasionally suffered from inadequate guidelines on the selection of site (see effectiveness). The objective of strengthening the extension service provided by the MOA, which has underperformed for many years, has also been appropriate.
123. Focus on raising **on-farm and off-farm incomes** in rural areas is in line with Government strategy, as encompassed in the National Agricultural Strategy, which also incorporates the goal of reducing rural to urban migration. Although it is doubtful whether such efforts can indeed stem rural-urban migration, the goal of raising rural incomes is important nevertheless. Micro-credit for IGAs, if designed to reach the landless and the poor, would also be consistent with the Government's strategy for employment generation and poverty reduction. On the other hand, the relevance of agricultural credit in YARDP (there was no significant agricultural credit in ARMP I and II) is questionable. Agricultural credit is ACC's classical product, and there is no indication that there is a particular demand for an agricultural credit line, particularly in light of the fact that the project also disbursed grants to farmers; ACC is adamantly opposed to the mixing of grants and credit.
124. The focus in all projects on gender and on community participation and empowerment was also appropriate, being in line with both IFAD and the Government's strategy and the emphasis it has placed on these issues in the Executive Development Programme 2011-2013.
125. Despite generally high relevance of the objectives, the design of all four projects had a number of deficiencies that reduce the relevance of the approaches to gender, community empowerment and poverty alleviation.
126. On **gender**, projects stated the intention to target women, including women-headed household as project beneficiaries. While this is highly relevant for the credit component, it seems unrealistic for the SWC interventions. Land ownership is dominated by male members in the project communities and women-headed households involvement in agriculture is quite limited. There is in fact no evidence that women were the target for the SWC component.

127. The goal of **community participation** and empowerment, while laudable, also suffered from insufficient attention to how it would be successfully implemented. The success of NPRRD was predicated on community ownership and commitment, and the SWC programme was to be financed based on community plans. Unfortunately, the design of the project did not take sufficiently into account the cultural context as well as some of structural complexities of the rural areas in Jordan - increasing fragmentation of land holdings, the high number of absentee farmers, multiple owners, and farming being a minor source of income for many land owners – that would have pointed to the need to adopt specific measures to address the challenge of community mobilization. Indeed, these were the issues that had already become evident during the implementation of the previous GTZ-supported project, but the lessons were not internalized by IFAD. The more recent IFAD supported interventions, i.e. ARMP II (including its GEF component) and the GEF stand alone project i.e. (Mainstreaming biodiversity in the Sylvo-pastoral and Rangeland Landscapes) are attempting to address these issues, although there is still limited progress so far.
128. The NPRRD design did not have a clear and inclusive community participation strategy to ensure the involvement of the majority of the community members – including the poorest herders – and their future capacity to introduce and manage the interventions. Moreover, the size of the rested areas as identified at design was small to justify organizing the community through a fully participatory approach and the value of the barely compensation was minimal compared to the benefits from grazing on rested sites to warrant community consensus.
129. The COSOPs are clear about the over-arching objective of **reaching the rural poor**,⁴⁵ including farmers, rangeland users and the landless poor. However, overall, project interventions were not appropriate for reaching that objective, both for the SWC and the credit components. Assessed against this COSOP objective, the relevance of the portfolio would be very low. There is little chance of land ownership-based interventions being able to reach the poor in Jordan.⁴⁶ Similarly, a credit programme that requires land and a regular source of income as collateral/guarantee is also unlikely to reach the poor. This is discussed further under the COSOP performance section in this report.
130. As noted earlier, the projects attempted to reach the “poorer” people in the community by first locating the interventions in areas that have a larger portion of the poor. This was appropriate and consistent with the poverty data in the governorates of Mafraq, Karak and Tefileh, although not in the Irbid, which is not one of the poorer governorates. However, the project in Irbid were targeted in the rainfed uplands that were also considered poor by Ministry of Social Development at the time. Beyond this, the only targeting criterion has been the maximum size of land (50 du) to be eligible for SWC investments. However, it is widely understood in Jordan that size of land holdings bears no relationship to the socio-economic situation of the owners.⁴⁷ Gradual fragmentation of inherited land, absentee land owners, and farming not being the primary source of income for most,⁴⁸ are some of the reasons for this observation.
131. In addition, benefits from SWC flow to the beneficiaries only after 5-7 years, the time it takes for the trees to mature and bear fruit. The farmer must make additional investments in tree maintenance, fertilization, and often, supplementary

⁴⁵ The second COSOP explicitly defines the poor as those earning less than US\$2 per person per day.

⁴⁶ Land ownership is prerequisite for being eligible for SWC project subsidies. However, most of the poor under US\$2 per day are not land-owners.

⁴⁷ IFAD's own analysis states that "... land size is weakly correlated with income because of the generally small size of landholdings and the fact that small plot owners can be both very poor as well as relatively well-off 'hobby farmers'." (Poverty and Targeting, Working Paper 1, September 2009. Prepared for the proposed project for National Programme for Strengthening the Agricultural Sector and Improving Food Security).

⁴⁸ Surveys by the PMU of ARMP II areas show that only 14 per cent of beneficiaries depend primarily on agriculture for their income.

irrigation. The projects do not cover these investments, and the poor are unlikely to have the resources to meet these costs.

132. There has not been any data collected on the incomes of the project beneficiaries, so it is difficult to draw firm conclusions. However, visits to the completed project sites showed evidence of the beneficiaries having been from among the better-off, or even the rich. Numerous plots of land that had received SWC subsidy had substantial structures, multiple cars, and supplementary irrigation. Owners were often active or retired civil servants and military personnel. In sum, while SWC interventions are relevant to the COSOP objective of improving sustainable access to land and water resources, and critically important for Jordan's environmental and natural resource management strategy, they have not been an appropriate mechanism for reaching the poor.
133. The credit component, while not reaching the poor either, has a better likelihood of reaching low and moderate income women, primarily because of the limit on the maximum size of loans (currently JD 5,000). Field observations also confirm that a number of beneficiaries appear to have been moderate income families, but these certainly did not appear to be among the "landless", "disadvantaged" and "resource constrained" groups that the project objectives envisaged as the target groups of credit.
134. In NPRRD, even though poverty was not an explicit objective, the smaller and poorer herders were excluded from some rangeland management groups because these were often dominated by the Sheikhs.⁴⁹
135. The overall assessment of relevance of operations need to balance the explicit resource management and conservation objectives that appear to have been the central focus of the projects, with the less prominent and unclear over-arching objective of reaching the rural poor. Giving more emphasis to the later, which is the ultimate goal of IFAD-supported portfolio in Jordan, leads us to an overall rating of relevance as '3' or 'moderately unsatisfactory'.

C. Effectiveness

136. In assessing effectiveness, the CPE aims to determine the extent to which the objectives of the projects were, or expected to be, achieved. However, instead of providing a project by project account of effectiveness, this section analyses effectiveness according to the main cross-cutting objectives of the portfolio, which include: resource management (SWC, and water resource development); support for agricultural development in the lands covered by SWC; promotion of off-farm income generation activities; community development; strengthening of women's development capacity; and institutional development.

Soil and water conservation and water resource development

137. A significant number of SWC and water resource development structures were completed under the three projects. Physical accomplishments in comparison with appraisal and revised targets are summarized in Table 6.

⁴⁹ This issue was raised by herders during group and individual interviews. It is consistent with data collected on herder's profiles from permits randomly selected.

Table 6

Appraisal, Revised and Achievement of Physical Targets

	App. Target	Revised Target	Achieved	Achieved as % of:		
				App Target	Rev Target	
<i>On-farm</i>						
Contour walls (ha)						
- ARMP I	16670	7000	5880	35	84	
- YARDP	2000	1325	2941	147	222	
- ARMP II	6500	6500	1081	17	17	
Cistern (m3)						
- ARMP I	160000	67200	85664	54	127	
- YARDP	152000	168000	171192	113	102	
- ARMP II	120000	12000	76380	64	64	
Land area (ha)						
- ARMP I	8450	7550	6277.5	74	81	
- YARDP	8000	5300	4445	56	84	
- ARMP II	6500	6500	1640	25	25	
<i>Off-farm</i>						
Spring rehabilitation (no.)						
- ARMP I	105	105	69	66	66	
- YARDP	21	21	21	100	100	
- ARMP II	N/A	N/A	N/A	N/A	N/A	
Roman Wells rehabilitation (no.)						
- ARMP I	6	6	6	100	100	
- YARDP	0	0	0	-	-	
- ARMP II	20	20	1	5	5	
River bank – gabion (m3)						
- ARMP I	2750	5150	4120	150	80	
- YARDP	25000	11085	10784	43	97	
- ARMP II	30000	45740	19615	66	43	
Mini earth dams & Hafiras (no.)						
- ARMP I	50	50	29	58	58	
- YARDP	30	2	2	6.7	100	
- ARMP II	30	13	15	50	115	
Rural roads (km.)						
- ARMP I	0	50	0	0	0	
- YARDP	160	295	287	179	97	
- ARMP II	170	189	43.6	26	23	

Sources:

- 1) ARMP I data from Mid Term Evaluation (June, 2001) and Interim Evaluation (Oct 2004).
- 2) Yarmouk data from YARDP PPA (April 2011).
- 3) ARMP II data from Appraisal Report (Sept 2004) and PMU Data Base (July 2011).

138. Physical accomplishments of most of the resource management investments have generally fallen well short of original appraisal estimates (see Table 6) and, in some cases, of the MTR revisions. To some extent, these variations are to be expected for projects of this nature where investments are linked to community or farmers demands and interest that cannot be ascertained in advance. Nevertheless, the extent of the gap points to the need of more thorough appraisal based on a better understanding of the socio-economic characteristics of the target population and the technical parameters of the sites, and for setting realistic targets.
139. Despite not full achievement of appraisal targets, the **on-farm investments** in contour walls and cisterns have proven to be particularly effective in meeting the projects' conservation objectives. As a result of the investments large volumes of run-off water have been captured for supplementary irrigation, soil loss due to erosion has been reduced, and soil moisture retention has increased. The only issues have been with: (i) insufficient size of cisterns built in some sites (mission

calculations in one area indicate that the standard 30m³ cistern only catches an estimated 70 mm of rain out of the total potential of 200 mm+) to meet the irrigation needs, resulting in farmers buying additional water from wells supplied by tankers thus subverting the water conservation goal (although some farmers have also added a second storage tank at their own expense);(ii) inability of the projects to promote area-wide broad participation by land owners within the area ("the ridge to valley approach" under YARDP) that would have been more effective in arresting soil erosion (see community participation), and iii) many activities were carried out outside their intended rainfall zone due to the fact that the climatic rainfall isohyet is outdated. On cistern capacity, as recommended by the Interim Evaluation of ARMP, the capacity should be based on more precise estimation of water-requirement, potential crop, and rainfall information.

140. Within the **off-farm investments**, earth mini-dams and hafiras have been quite effective in impounding water and in reducing downstream erosion. In addition, both provide important source of drinking water for the herders' cattle. The CPE mission was impressed with the fact that there was water stored even during the dry season, indicating good choice of locations. The hafiras have the potential to serve as resting oasis for cattle, however tree planting around the area has not been carried out. Regarding mini-dams, there is an emerging issue of water rights that could be problematic for the government. Private extractors of water were already beginning to use the water for sale by tankers in the more accessible dam sites. There is also possible agricultural potential around the dams that could be exploited by MOA.
141. Gabions too served a useful purpose of preventing erosion, with few exceptions observed by the mission where these works were located in places that do not pose significant risk of erosion.
142. Investments in spring and canal rehabilitation works no doubt increased the quantity of water available and contributed to increased yields. For example, one scheme visited by the CPE mission reported that olive yields, which had fallen 40 per cent during the years prior to improvement of the canals, had almost been restored to their previous levels in the first year as a result of improved irrigation . However, operation and maintenance in most cases is a serious issue. There have been difficulties encountered in forming WUAs that were supposed to take over this function and manage the water allocation. But, as noted earlier, multiple ownerships of many plots of land, and prevalence of absentee farmers who may be living in the cities (and for many of whom farming is a part-time activity or even a hobby), has made it difficult to bring together communities generally for planning and managing the project interventions.
143. The NPRRD also provided resource management investments in the five pilot sites. Despite various implementation problems, some of which could not have been anticipated (e.g. a severe draught in the first three years of the project), the project achieved most of its reformulated targets for the construction of water harvesting and construction structures. These included 20 km of SWC works, 10 km of water spreading structure, 11 hafiras and 10 cisterns. These structures were useful in providing livestock drinking water to the herders (many commute and haul water by trucks) and irrigation water for the establishment of the fodder shrubs. They also appear to have been generally well-maintained despite problems encountered with community organization discussed later.

Agricultural development

144. **Tree planting** has produced overall positive results, with targets for fenced farm area and numbers of fruit trees planted being achieved. However, a large number of farms received support for the construction of SWC structures without proceeding to the next stage of planting trees. It appears that there was an unrealistic expectation that farmers benefiting from on-farm SWC structures would, from their own resources, plant trees on their improved holdings. In most cases this did not happen.
145. In general, tree planting has been successful in situations where the land has been suitable and the farmer has been well informed and conscientious, with a corresponding increase in incomes in 5-7 years. The rates of return in such cases have also been shown to be high. The achievement of successful planting was occasionally compromised by inappropriate selection of parcels of land (for example soils too shallow or too rocky), and a lack of provision for technical follow-up after planting, both of which have resulted in higher-than-acceptable levels of tree mortality. For this reason under ARMP II IFAD supervision supported project management in developing an extension programme with NCARE to follow-up/support new plantings with technical advice.
146. Additionally, the rate of uptake of plantings has been slow. The YARDP had an uptake of only 56 per cent some 5 years after project completion, and numbers for ARMP are reportedly similar. The PMU staff believe that the slow uptake is in part because of absentee land-owners and farming not being the main source of income for many of them.
147. The results on **rehabilitation of old olive groves by deep pruning** has improved over the period evaluated; ARMP I achieved only 78 per cent of its objective, - despite the fact that the intervention was very effective and appreciated on farms where it was implemented - but has accelerated in ARMP II (62 per cent of the appraisal target had been achieved by March 2011). Farmers who have adopted deep pruning now recognize its virtue and have reported that their yields per tree have recovered significantly in the second and subsequent years after deep pruning. A number of on-farm demonstrations have been staged to show the merits of the practice, but it will probably continue to be a long-term process.
148. One area where the project has had notable success has been in promoting the cultivation of **higher-value orchard crops** such as grapes and pistachios. In one of the earlier projects supported by IFAD (ARMP) MOA nurseries distributed mostly olive rootstocks (140,000) as opposed to some 5,000 pistachio rootstocks. Now the MOA nursery at Ouhid for example reports that it distributes between 8,000 and 20,000 pistachio rootstocks per year as well as a very substantial number of seedless grape vines and apricot and pomegranate rootstocks. More concerted efforts to help farmers move to higher-value agriculture is a potential area of focus for future agriculture development and SWC efforts.
149. The projects have aimed to support and complement the **extension service** in many ways, sometimes successfully and sometimes unsuccessfully, and at least nominally a large number of government officials staff and farmers have been trained in crop production technologies. Advice has been given on crop protection and improved orchard management practices, and the MOA's minimum package for cereals and legumes on slopes of less than 8 per cent has been supported. One of the more successful activities under ARMP II has been that of assisting livestock owners with preventive **veterinary care** and on managing livestock reproduction. ARMP II now provides more than 1,150 livestock owners with veterinary assistance and advice on managing livestock reproduction with the use of progestagen pessaries to synchronise oestrus.

150. The recent Government re-location of the service from the Agricultural Directorates in the governorates to NCARE has once again raised the issue of effectiveness of the service and raised the risk of sustainability of the benefits that might have flowed from the projects. Having the extension service within the mandate of the governorates meant that farmers saw it as the main source of all their agricultural needs; not only did the governorate provide access to inputs, but it also provided advice on their use. The governorates have now been relieved of this second responsibility with the result that the overall service has been fractured; the governorate still provides access to the inputs but the advice now comes from a different office, namely that of NCARE⁵⁰.
151. **Agricultural development loans** (provided mostly under YARDP) were not effective. Project investments in SWC did not result in an increased demand for credit as, resulting in the decision after IFAD 2006 Project Review to revise the amount allocated significantly downward. The Review noted that the concurrent existence of subsidized financing under SWC possibly acted as a damper on demand for credit. The package of support offered by YARDP for infrastructure and agriculture development was in fact sufficient to cover the farm size.
152. **Rural roads** were intended mainly to "improve access to markets". But most of the roads visited by the mission appeared to lack economic justification. They were built to a high standard, often to serve a handful of farms, and in many instances there were other roads already available a short distance away. PMU staff indicated that roads are often demanded by the communities. But this is not surprising, particularly when they are offered without cost as a part of the menu. Rural roads in Jordan are the responsibility of the MPWH who has generally done a good job in developing (and maintaining) the road network of the country. The project goals would not suffer if the road component was left to MPWH to complete in the context of its own broader priorities.

Off-farm income generation through improved access to credit

153. Off-farm IGAs were promoted through the provision of credit through ACC in association with training arranged by the PMU. ACC handled the line of credit effectively, meeting or exceeding the targets for loan numbers and disbursement.⁵¹ In the three projects a cumulative total of 2,911 loans amounting to JD 6.35 million have been disbursed as of June 30, 2011, with an outstanding balance of JD 1.2 million (December 31, 2010). Average loan size has been going up in the order of the starting date of the projects: JD 1,615 in ARMP I, JD 2,404 in YARDP and JD 3,130 in ARMP II.
154. In the drier south the vast majority of loans went into sheep and goat raising and dairy and food processing (see Table 7). Beneficiaries were mostly women, notably at the same rate of number and amount of loans in both project phases (80 per cent in ARMP I and 82 per cent in ARMP II), reflecting the influence of the PMU on borrower selection and loan allocation. In the more fertile north both agricultural and IGA loans were disbursed: 70 per cent of the number and 62 per cent of the amount of IGA loans went to women, while in terms of both number and amount only 26 per cent of the agricultural loans went to women.

⁵⁰ In its comments to the report, the GOJ indicates that it is too early to make a full assessment of the effectiveness of the merge between research and extension.

⁵¹ ACC reports slowing down of disbursement under ARMP II, attributed to PMU's inability to organize advance beneficiary training that, in any case, it considers unnecessary.

Table 7
Number and Amount of Loans by Activities financed in ARMP I, YARDP and ARMP II (In percentage vs. total)

Activities financed	ARMP I		YARDP ²		ARMP II ³	
	N° of loans	Amount	N° of loans	Amount	N° of loans	Amount
Sheep & goat raising	17	19			44	53
Sheep, goats, dairy proc.					13	15
Dairy processing	27	24			33	26
Food processing	36	32			6	4
Poultry	13	7			1	1
Gardening & mushrooms					1	0
Land purchasing	4	13				
Soil conservation	3	5				
Marketing					2	1
Subtotal IGA	100	100	57	45	100	100
Agriculture			43	55		
Total per cent	100	100	100	100	100	100
Per cent women			51	42		
IGA			70	62		
Agriculture	80	80	26	26	82	82

(In Jordanian Dinars, JD)

Total no/amount in JD mn	1,152	1.86	1,406	3.38	345	1.08
Average loan size in JD		1,615		2,404		3,130

ARMP I: 75 per cent (JD 1.40 million) from IFAD resources, 25 per cent (JD 0.46 million) from ACC resources.

YARDP: No detailed breakdown by activity available.

ARMP II: Values as of 31/12/2010; values as of 30/06/2011 are 353 loans amounting to JD 1.10 million.

Source: Compiled on the basis of ACC monitoring records.

155. IFAD's credit lines have been generally quite effectively used to promote IGA predominantly of women, resulting in higher family incomes. Mortality rate of enterprises are not known, but appears to have been low. However, as noted earlier, low-income groups targeted by IFAD have been reached only to a limited extent. IFAD teams have floated various proposals from time to time to persuade ACC to change its practices or to introduce new "innovations", but these have met with resistance from ACC, and the few that were adopted failed. The most recent (Financial Services Review Mission in July-August 2008; and MTR of ARMP II, Feb 2009) involved: i) group lending; and ii) guarantee fund for wholesale lending to cooperatives.
156. **Group lending** was for "landless women" and "collateral free". In practice, only two such groups were formed of three women each who were landless technically by virtue of not owning land in their own name but not apparently without means. Moreover, although ACC decided to forego land as collateral for such "landless" groups, it continued to require a guarantor with adequate and stable income. This is not something that can be described as collateral free. Subsequent reporting by IFAD (SM Dec 2010: 39) is misleading and erroneous, referring to this arrangement as "legally established self-help community based associations. Grace periods can now be negotiated on a case by case basis".

157. **Guarantee fund for wholesale lending to cooperatives.** IFAD envisaged to deploy a small guarantee fund to involve cooperatives as intermediaries to on-lend to poor women; potential ACC losses would be charged to the guarantee fund. The loans would be financed from the reallocated credit line of SDR 80,000. This proposal was rejected by ACC because ACC only lends to cooperatives for their own business (against collateral and account deductions), not for on-lending. IFAD subsequently reiterated its proposal of a pilot loan guarantee fund scheme "as an innovative mechanism ...to test collateral free modalities for the poorest women... unable to mobilize a guarantor", while recognizing that ACC formally rejected this proposal. (SM Dec 2010: 41).
158. Overall, there has continued to be a large gap between IFAD's stated intentions of reaching the poor and the landless, and the reality of IGA loans that went largely to low and moderate income families. IFAD would have been well advised to adjust its terminology and targeting strategy to the reality of rural Jordan and of ACC as its partner. Loans to even moderate or middle-income rural women that do not require any significant subsidy, and which have a good record of repayment, could be justified for strengthening the rural economy.

Community participation and empowerment

159. For reasons mentioned under the relevance section earlier, community participation was ineffective in earlier projects, agriculture resource managements projects, because of the basic flaws in the design that made success unlikely. The envisaged group formation and the undertaking of collective actions did not materialize. Limited progress was achieved in establishing formal organizations for the management of off-farm SWC. The steps and operating procedures for community mobilization were not fully spelled out, And the planned engagement of a qualified NGO to implement community participation did not materialize because of certain administrative constraints but also because of MOA's reluctance to do so.
160. However, substantial progress has been made under the more recent ARMP II in applying community participation planning. To-date, LCCs, with equal representation of men and women, have been set up in 48 targeted communities. The LCCs participated in the discussions with the project staff and determined community priorities that were captured in 3-year CAPs that, in turn, are the basis for deciding the annual work programme for the project in each community. At the same time, none of the LCCs can be considered to have shown the prospect of playing a role in determining community priorities for government programmes more broadly. Nor do they understand their responsibility for operations and maintenance. Their potential in "empowering" the communities is still unclear.
161. A number of grant projects (e.g.the Mashreq Maghreb and the Community-based Water Optimisation grants to ICARDA) have promoted new approaches in community participation and develeoped capacity in the country, although their link to the lending programme has been week (see section VI. D on grants)
162. In the rangelands community participation was at the heart of the NPRRD. However, implementation proved difficult because of management issues in the project. Initially, the PMU was perceived as using a top-down approach that inhibited community ownership. An effort was made subsequently to re-orient the approach by involving CARE International that had experience with this approach in other projects in Jordan. But CARE's involvement was limited to training only and not extended to the subsequent planning phase with the communities. The project thus did not result in producing participatory range management plans. Possibly linked to the issue of inadequate participatory planning, the RMGs and cooperatives did not prove to be very effective. They had limited membership, and consultations were often restricted to the tribal chiefs. For these reasons, community participation in NPRRD is assessed to have been ineffective.

Strengthening of women's development capacity

163. As noted earlier, the projects have been effective in reaching women in IGAs, but did not manage to engage more women in SWC activities. Provision of credit allowed women to establish or expand home-based businesses that have provided supplemental income for families. The training activities on income generating for rural women were overall useful especially for women with no previous experience in some specific aspects of the IGA, for example in dairy processing. However, the instruments for coaching and skill development for women in issues such as entrepreneurship, quality control, and access to markets were not developed enough in order to ensure the viability and effectiveness of the microenterprises.
164. Efforts to help vulnerable and poor women through women's cooperatives and charities have also been ineffective. Most of these projects have been limited in scope, supporting 4-5 women at the most with temporary incomes, and their sustainability is doubtful.

Institutional development

165. The main contribution of IFAD in institution building has been possibly at the project level by establishing well-functioning PMUs (albeit after initial difficulties in NPRRD) in all four projects staffed by generally well-trained and competent technical personnel. Through sustained involvement in IFAD-funded projects, many PMU staff have developed a significant expertise in SWC. Although working through a project-dedicated PMU is inconsistent with the Paris Declaration on Aid Effectiveness, the approach is appropriate in the Jordanian circumstances because: (i) the MOA itself has a dedicated projects department that handles even the government-funded projects in a similar manner, and (ii) the PMU staff are drawn from within the MOA and paid by the government, and are not given any special allowances from the project.
166. Agriculture extension is one area where IFAD has provided technical assistance both through the PMUs and through grant financing.⁵² According to the Results and Impact Management System (RIMS), since 2006 a total of 122 government officials and staff have been trained and 654 people have been trained in crop production and technologies. However, despite numerous training programmes and field demonstrations, there is little evidence of its having had made a significant difference on Jordan's extension service. This may be due, at least in part, to the fact that the extension service was recently re-located to NCARE alongside agricultural research and still appears to be re-adjusting to its new situation. On the other hand it may indicate that the fairly conventional approach that has been adopted to date is not appropriate and that IFAD should consider new approaches to improving agricultural extension such as for example some form of commercialization of the service.
167. The projects so far have had limited success in building MOA capacity in gender and community participation. The initiatives in these areas have remained at the project level and not institutionalized in MOA. The ARMP I supported the creation of a Gender Unit in MOA to promote gender focus across all MOA programmes and projects. However, the unit was dissolved in 2004 at the time of kick-off of ARMP II and the gender activities remained within the confines of the PMU. This was a lost opportunity for institutional development.
168. NPRRD had institutional development efforts as the primary objective of this project. The goal of the project was to have a functioning unit – PRIME – that would provide and monitor the basic resource data of rangelands, raise public awareness and be the catalyst for developing a national programme for rangelands. PRIME (established under the project within the Directorate of

⁵² Notably the Development of Integrated Crop/Livestock Production in Low Rainfall Areas of WANA (the "Mashreq/Maghreb Project") and the Sustainable Livelihoods of Agro-Pastoral Communities of West Asia and North Africa (Mashreq/Maghreb III).

Rangeland Management in MOA) had demonstrated capacity during project life to assist in strategic and local planning for site-specific and regional rangeland regeneration and management plans, but it was not sustained after the close of the project and its capacity dissipated. IFAD did not develop a follow-on project as envisaged in both COSOPs.

169. The overall assessment of IFAD-funded operations effectiveness ranges from 'largely effective' for SWC investments to 'largely ineffective' for IGAs and community empowerment although substantial progress has been made under ARMP II in community participation in planning. Given that SWC comprises the largest share of the project costs, our assessment gives more weight to it and rates the overall assessment of effectiveness as '4' or 'moderately satisfactory'.

D. Efficiency

170. The assessment of efficiency considers how economically resources have been used in order to achieve results. The assessment looks at this issue from three dimensions: (i) economic efficiency in terms of economic rates of return and unit costs of outputs; ii) project management costs vs total costs; and ii) implementation efficiency, referring to the time for the loan to become effective, time overrun and the project disbursement performance.
171. In terms of economic efficiency, the PCR for ARMP estimate an Economic Rate of Return (ERR) of 34.8 per cent, but it seems to have been based on ideal conditions. The estimate would be lower if the slow pace take up of tree planting, the observed mortality rates, and issues of sustainability for springs are factored in. The PCRs for YARDP and NRRPD estimate the ERR at 20 per cent and 12.4 per cent respectively. The underlying data for this analysis was not available to the evaluation, who was thus unable to confirm these estimates. The CPE mission's judgment is that ERRs for SWC and agriculture, while not as high as estimated for ARMP, are likely to be in the acceptable range. But given the implementation difficulties encountered and because of concerns about sustainability of the investments in the pilot areas, the ERR for NPRRD is likely to be low.
172. Another measure of efficiency can be the unit cost of water harvested on-farm and in small earth dams and hafiras in comparison with the cost of water in Jordan under certain assumptions of the number of times the cisterns or the dams/hafiras are filled during the year. The results are summarized in Table 8.

Table 8

Efficiency Indicators of SWC Investments

	ARMP I	YARDP	ARMP II
On-farm SWC			
SWC Investment as on farm cisterns (JD million)	4.35	7.70	3.08
Land area covered by SWC (du)	18750	44,450	16404
Storage capacity of cisterns (m ³)	85664	171192	76380
Est. Annual storage (m ³) b/	342656	684768	305520
Cost per du serviced (JD)	232	173	187
Cost per m ³ capacity (JD)	51	45	40
Cost per m ³ est. annual storage (JD)	12.7	11.2	10.1
<i>Annualized cost per m³ of water (JD) a/</i>	1.35	1.2	1.1
Small Dams & Hafiras			
Investment cost (JD million)	0.54	N/A	0.62
Storage capacity (m ³)	639000	55000	352709
Est. inter-annual storage (m ³): c/	447300	38500	246896
Cost per m ³ capacity (JD)	0.84	N/A	1.77
Cost per m ³ est. inter-annual storage (JD)	1.2	N/A	2.5
<i>Annualized cost per m³ of water (JD) a/</i>	0.2	N/A	0.45

a/ Amortized at an interest rate of 8 per cent per annum. b/ Assumption from observation: cisterns are filled 4 times per year. c/ Assumption: the median of storage is at 70 per cent of the capacity.

173. The data is in the same range as unit costs of similar projects in the region, and significantly lower than what the farmers currently pay to buy small quantities of water from tankers (around JOD 4 per m³) to irrigate their fruit trees. This confirms that the SWC investments have been efficient.
174. The credit component, although not reaching the target group, has been implemented very efficiently, thanks to ACC's well-established delivery system, its low (but positive) interest rates, and its very effective recovery mechanisms. ACC does not expect any bad debts from any of the three projects under review. The fact that borrowers have been selected and prepared by the PMU – rather than by ACC, whose core business is non-targeted borrower selection and loan appraisal – does not appear to have affected efficiency. In YARD implementation delays, due to slow disbursement of agricultural credit and a subsequent reallocation have affected efficiency; project funds could only be used with a two-year extension.
175. The amount allocated to project coordination and management in project design was low at around 6 per cent. This however did not include the recurrent costs associated to each component (financed mainly by the government). If these are considered, management costs would be around 19 per cent of total project cost, which is slightly above the average IFAD-financed operations.
176. As far as implementation efficiency, the average time lag between Board Approval and Loan Effectiveness is low (8.1 months) compared to IFAD average (13.7 months)⁵³ and to the average historical effectiveness delay of IFAD-financed projects in NENA (11.7 months). On the other hand, all projects evaluated have been extended (twice in the case of NPRRD) and three of them (YARDP, NPRRD and ARMP II) show high percentages of time overrun (average overrun for the cumulative portfolio of all IFAD closed projects in Jordan is 43 per cent). Implementation delays inevitably increased expenditure on management and supervision, hence reducing overall efficiency.
177. The implementation period of the four projects varies from 8 years (ARMP and NPRRD) to 11 years currently estimated for ARMP II after being extended. This compares with an average of 7 years in IFAD in 2010. Furthermore, the trend is deteriorating. The two oldest projects in the cohort had a disbursement period of 8 years each, which increased to 9.5 years for the next project (YARDP) and 11 years for ARMP II. This reinforces the concern expressed to the CPE mission by the Ministries of Planning and Finance, who cited slow implementation and the large undisbursed⁵⁴ or cancelled funds of recent IFAD projects (35 per cent for NPRRD) as contributory factors to the Government's decision to defer further borrowing from IFAD during the process of rationalizing external borrowings.⁵⁵
178. Long implementation period it seems can be attributed in large part to slow start-up activities. Disbursement after 3 years of approval for the four projects ranged from 9 per cent to 20 per cent compared with 44 per cent for World Bank-funded projects. The reasons for slow implementation include, financial, technical and management factors. In YARDP the withdrawal of AFESD financing stalled investments and affected efficiency at the beginning of project life. Moreover, for several years, the disbursement of IFAD loan in that project was constrained by the limited resources available under the IGA credit line and the limited uptake of agricultural loans.⁵⁶ In NPRRD, implementation was delayed due to persistent

⁵³ 2010 report on IFAD's Development Effectiveness. Covers a cohort of 28 projects which became effective from 1 July 2008 to 30 June 2009.

⁵⁴ 62 per cent for ARMP II in September 2009 was undisbursed, coinciding with the time when the decision was taken on the new project.

⁵⁵ IFAD's internal documents cite government's borrowing limit as the reason for the government and IFAD's decision to not plan for any allocation for the 2010-2012 period. Discussions with the ministries of finance and planning indicated that weak implementation performance was the principal reason for the Government's decision to not borrow from IFAD until there had been more progress in the ongoing projects.

⁵⁶ The ACC however continued the delivery of IGA loans through own resources.

drought in the initial years of implementation but mainly because of an inefficient and ineffective PMU. This was resolved after four years by a loan extension, reformulation and changing the project manager, which enabled to accelerate in the last three years the implementation of the technical and infrastructural packages (forage shrub planting and reseeding in the rested areas, destocking the pilot site areas).

179. ARMP II has disbursement of only 59 per cent of the loan as of June 2011 after 80 per cent of the initially planned 8 year implementation period. The mid-term review (MTR) of the project in 2009 attributed the slow pace to normal start-up delays (noting that for example YARDP implementation did not start in earnest until the fifth year) and delays in staffing of the PMU to deal with the GEF component. The PMU also reported that budget cut backs in the last two years has also constrained implementation progress. The project has been extended, with project completion now planned for December 2015.
180. The deteriorating trend in project implementation is surprising because three of the four projects are quite similar and built on similar previous projects with the same ministry. There was also significant continuity among MOA staff assigned to these projects.
181. Overall, the efficiency of the portfolio is rated as '4' or 'moderately satisfactory'.

E. Rural poverty impact

Household income and assets

182. The assessment of the impact of the projects on household income and assets in the Jordan portfolio is challenging because the M&E systems were deficient until 2005 when the RIMS was introduced and the subsequent establishment of an M&E unit in ARMP II. But even then, the impact data is still patchy and yet to provide reliable insights. RIMS has been helpful since its introduction, but it too has so far been largely focused on output indicators (Level I), with little data available on outcomes (Level II). Some socio-economic data is also collected under RIMS, but this captures the situation in the project area population as a whole and does not purport to attribute changes to the projects. Finally, the benefits of SWC components that comprise a major part of the projects would become evident only after seven years or more when the newly planted trees mature and begin to bear fruit.
183. **Impact on income.** Based on surveys conducted by the PMUs of YARDP and ARMP and the mission's own assessment, it appears that the **SWC investments and associated agricultural support** should have a positive impact on incomes because of additional output of new trees and increased productivity of existing trees. An average farm budget (see annex 11) constructed by the Mission indicate an estimate of JD 66 to JD 106 net income per annum per each du planted with trees, depending on whether or not the owner hired labour or carried out the manual work himself. A sample survey conducted by the YARDP PMU indicated an increase in annual income of 20 per cent. Discussion with farmers confirmed that these estimates are reasonable.
184. **Intensive livestock raising**, mostly in backyards or small parcels adjacent to the house, supported by extension and often through IGA credit, has become an increasingly popular activity in ARMP II and shows good potential for income generation. Owners report increased herd size and improved livestock health, which together translate to increased sales at satisfactory prices. In addition, the more numerous and healthier animals provide more milk which can either be sold or processed into jamid,⁵⁷ both of which fetch good price in the market. While there is not data available on increased incomes from livestock raising, the general

⁵⁷ *Jamid* is processed dried cheese made from goat or cow milk and is a high-value prized food item for Jordanians.

observation of the mission was that such families appeared to be much more prosperous with the support they have received.

185. A positive and more immediate impact on incomes of families also derived from the **IGA component**. Surveys during the MTR of ARMP I (2004) noted that average annual profit was estimated at JD 829 or 57 per cent of average annual income (of JD 2,016). Impact studies in YARDP reported an increase of 25 per cent to 75 per cent of family income, and that 77 per cent of credit-financed activities were still operating at the time of the study. The reliability of the surveys is not established, but the CPE mission's observations confirmed that the generally positive reported impacts.
186. **Impact on assets.** There is no data on the growth in assets, but the IGA beneficiaries visited by the CPE mission (and some previous missions) often reported growth in assets such as an increase in herd size, purchase or improvement of a home, or expansion of business. Beneficiaries of SWC investments could be expected to benefit from increased value of land because of investments in soil retention and fencing, and the availability of supplemental irrigation. Additional water from water harvesting under ARMP - mostly used in irrigation - and greater availability of water for livestock in the five pilot sites of NPRRD also represent a positive impact in assets for the project beneficiaries.
187. The NPRRD was one project which overall probably had minimal impact on incomes and assets because of poor implementation resulting in project accomplishments falling well short of plans. The provision of barley to herders during the rangeland resting that could have resulted in an increase in income, was too small to have had any significant impact. There is also no evidence that the project resulted in any increased productivity of animals. Moreover, the limited benefits that did materialize were directed towards the better-off herders (while small herders were selling off their animal stocks).
188. Although improving farmers' access to markets was either an explicit or implicit goal of all three SWC projects, there were not specific actions designed to do this. Rural roads was perhaps one component that could be considered to accomplish this. But, as noted earlier, rural roads were not built based on any economic criteria, many were redundant with other roads nearby, and often served only a few landowners in their vicinity.
189. So overall, three of the four projects should have positive impact on incomes and assets. However, since the beneficiaries of these projects have generally been the non-poor, the poverty impact has been negligible. The income and asset impact is therefore rated as '3' or 'moderately unsatisfactory'.

Human and social capital and empowerment

190. The **human capital** development efforts of the projects were primarily through the training provided under the three ARM projects to the women beneficiaries of IGAs (some 4,650 women in total reported to have been trained), and through extension services provided to farmers. The IGA training record has been mixed, with some of the women interviewed having doubts about the utility of the training, maintaining that this was an unnecessary requirement since they already have ample knowledge of the products they wish to produce (e.g. jamid, bread). But others seemed satisfied especially those with limited knowledge and skills in dairy processing. The results of extension were also mixed. Olives, the tree crop that the farmers adopted predominantly in the project sites, were already well-known to many Jordanian farmers and so the added value of extension was limited to a few techniques such as deep pruning. Nevertheless, amongst some farmers, especially those deriving most of their income from non-farm activities, planting methods, selection of planting site and subsequent tree maintenance still leave much to be desired. On the other hand, practical knowledge on techniques related to the introduction and management of new fruit tree crops has been valuable.

191. Impact on **social capital and empowering communities**, including women, has been limited since the community mobilization efforts were by and large unsuccessful. With the renewed emphasis and more systematic efforts on community mobilization in ARMP II, there is a prospect for community empowerment if the efforts are sustained beyond the project, including the CAPs becoming a normal ongoing part of government's development efforts and LCCs becoming a partner in financing and maintaining the investments. Although this is the goal of the PMU, its ability to do so is unclear.
192. Although there has not been an impact assessment made, the increased incomes of women involved in IGAs can be expected to have led to greater empowerment of women. In many cases, such income from IGAs was more important than the regular income of the male in the household. On the other hand the CPE mission observed that the businesses were more in the nature of family business with both husband and wife sharing responsibilities and benefits. In addition, men were often the guarantors of the ACC loans and owners of the land pledged as collateral. Thus the gender empowerment benefit from increased income should not be overstated.
193. It is also unclear if women empowerment is attributable to IGAs per se since the beneficiaries were mostly educated or retired professionals who are used to earning income. Most were also from the high to middle age group (in ARMP II, 42 per cent are in the age group of 31-40 years, and 21 per cent in 41-50 years) where achieving changes in gender status at the household is more challenging level as traditional gender relations tend to be already entrenched in the family.. The human and social capital and empowerment aspects of the programme are rated as '3' or 'moderately unsatisfactory'.

Food security and agricultural productivity

194. The ARM projects have increased agricultural productivity in the areas supported by virtue of bringing under cultivation land that was previously unutilized or under-utilized for agriculture. Productivity in old groves has also been greatly enhanced by deep pruning and improved husbandry. Together, ARMP I and II have achieved: i) more than 37,000 du of new plantations; and ii) rehabilitated more than 6,500 du of old olive groves.
195. With an estimated average planting density of 15 olive trees per du and a conservative estimate of production at maturity of 25 kg/tree (taking into account reductions resulting from inappropriate planting and poor maintenance), the new plantations will produce almost 14,000 tonnes of olives per annum. In the rehabilitated old olive groves, assuming an increase of approximately 15 kg/tree following the rehabilitation (a hypothetical and quite modest figure based on information provided by growers who had adopted deep pruning), the project interventions represent an extra 1,500 tonnes per annum.
196. It may be concluded therefore that ARMP and ARMP II account (or will account at maturity of the new olive groves) for an additional 15,500 tonnes of olives in the project area. With an extraction rate of 18 per cent this comes to about 2,800 tonnes of olive oil. Application of a similar calculation to YARDP's achievement of 27,400 du of new plantations gives an additional annual production of more than 10,000 tonnes of olives, representing approximately 1,800 tonnes of oil.
197. The NPRRD project was originally designed to increase production and incomes in the Badias. But its objectives were revised during implementation to focus on fast track water improvements; the PPA for the project confirmed positive impact of the water management and conservation schemes in the pilot areas in making drinking water available to communities in, or in the vicinity of, the pilot sites. However, these are primarily social benefits and do not have an impact on agricultural productivity.

198. The assessment of impact on food security need to take into consideration its definition. If the household is already food-secure, extra production or income, while being a bonus, will not improve its food security; on the other hand, if the household is below the threshold at which it might be defined as being food-secure, extra production or income will improve its food security. The CPE did not find clear information as to how many of the beneficiaries of the agricultural interventions were food-insecure before they received project assistance. Certainly household incomes have increased or will increase, as noted above, but it is likely that most of those households were already food-secure.
199. The impact of the projects on agricultural productivity and food security is rated as '4' or 'moderately satisfactory'.

Natural resources and the environment

200. The SWC investments applied a number of important technologies for soil conservation, including: the construction of stone walls and check-dams for the reduction of run-off and loss of topsoil; the discouragement of growing annual cereal crops on slopes greater than 8 per cent; and by planting olive and other trees encouraging the protection of vulnerable soils on sloping land (the tree canopy protects the soil from rainfall impact and the tree roots bind the soil). These investments have generally had a positive impact on soil erosion. Impact surveys carried out by the YARDP show that soil erosion (measured by looking at the universal soil loss equation⁵⁸) was reduced by between 30 and 90 per cent in sites that benefitted from SWC. These appear to be reasonable range of estimates of SWC's soil conservation outcomes across all three projects.
201. Moreover, a key merit of the SWC investments is that they have increased the interest of farmers in land conservation which, when accompanied by adoption of environmental friendly technologies, generates important results in terms of environmental conservation and development.
202. However, a fuller assessment of SWC's environmental assessment needs to take into account the patchiness of the measures financed by the projects. The intended area-wide "ridge-to-valley" approach so far has not proven feasible because of the inability to mobilize a critical mass of farmers to accept the SWC investments. Because of this limitation, the net impact of SWC on the whole catchment unit has been marginal and inadequate to ensure long-term sustainability. It is early to say the extent to which the approach to community mobilization to prepare CAPs under ARMP II (complemented with GEF financing) would be able to deal with this challenge more effectively.
203. Harvesting of water under the projects should also be considered to be a significant environmental benefit in a water-scarce country. However, the inadequate size of cisterns in some areas has resulted in farmers now purchasing more water from commercial wells than they did before the project, as water harvested is not enough to cover irrigation requirements of additional trees planted. This has been an unintended negative consequence of projects.
204. The NPRRD had some positive pilot-level achievements from range and water improvement packages. On the other hand, substantial environmental benefits to rangelands were not obtained because of several internal and external factors. The small size of improved and rested areas meant that gains were limited and concentrated only in two of five project sites. The recurrent drought years hindered progress in the Badia sites in the South, especially Hussayniah. However, this was worsened by the fact that no drought contingency plans or other disaster preparedness measures were in place. Furthermore, impact was limited because the project was not carried forward beyond the pilot stage.

⁵⁸ The Universal Soil Loss Equation is a mathematical model used to describe soil erosion.

205. In all the projects there were issues with capability of the community to ensure the sustainability (including Operation & Maintenance) of the structures or to produce participatory plans. The problems encountered ensuring proper maintenance has the potential to negatively impact natural resources e.g. runoff from badly maintained road drain or a check dam failing causing spill of water and subsequent erosion of top soil. In NPRRD whilst range management groups were set up they did not lead to the development of community driven participatory plans for the sustainable management of the rangelands in the NPRRD.
206. As far as **climate change**, the projects that started pre-2007 did not have specific and labelled Climate Change activities and the activities themselves do not appear to have been "climate proofed" (i.e. designed with an eye to future climatic conditions). While generally, many of the SWC activities are inherently aimed at mitigating the effects of climate change, it is unlikely - in view of its complexity and cost - that the individual SWC activities that were undertaken factored in the future impact of climate change, asking questions such as "will there still be water to divert into dams in the sites they were located?". IFAD has recently approved a grant to ICARDA (the Barley-Livestock Climate Adaptation grant) aimed inter alia at addressing this issue.
207. The three main GEF projects which have been written more recently have climate change embedded in them. For example the MENARID grant includes the support to institutional structures to promote sustainable land management and climate-proofing of rural production systems. However as this GEF grant agreement was only signed in February 2009 no activities to that point had taken place at the time of this evaluation. The GEF Mainstreaming Biodiversity project also identifies climate change as one of the major threats to biodiversity loss and to achieving project objectives and will facilitate climate change adaptation. Furthermore, a project is in the pipeline which will pilot an innovative irrigation scheme, which is seen as particularly promising in arid and semi-arid areas as an adaptation measure.
208. All the projects had a focus on natural resources and environment, with the newer GEF projects even more focussed than the previous projects on climate change, integrated resource management, and participatory approaches. The experience so far has shown some relatively limited impact on the ground, it remains to be seen whether the GEF projects will be more effective in achieving results. Overall, the natural resource and environmental benefits of the portfolio are rated as '4' or 'moderately satisfactory'.

Institutions and policies

209. As indicated earlier in the report, a main contribution to institution building has been establishing well functioning PMUs. On the other hand, the impact on Jordan's extension service has been limited. Also NPRRD institutional development objective did not materialize. A national programme for rangelands is still being talked about under the BRP (managed by the Ministry of the Environment), but there seems to have been little linkage between the Badia Programme and PRIME. Beyond the project level, the notable accomplishment has been the establishment of SWC units in the Agricultural Directorates of Irbid, Bani Kananah, and Ramtha, after the closure of YARDP. These units no doubt benefitted from the experience they had with the project.
210. In general, IFAD contribution to the broader development of MOA has been limited. The MOA has been, and still is, generally regarded as weak and in need of reform and strengthening. Despite its long association with MOA, none of the IFAD projects have dealt with the issue.

211. IFAD has had no impact on the broader agriculture sector policy either. IFAD did not have a role in the formulation of the 2002 Agriculture Strategy prepared by the MOA despite being well-placed to do so given its accumulated expertise in smallholder agriculture and long relation with MOA. This must be considered a missed opportunity.
212. In rural finance there is no evidence of institutional impact, with the exception of the introduction of a new Management Information System (MIS) in ACC supported by an IFAD grant, which has considerably improved financial management and is greatly appreciated. Moreover, IFAD attempts to influence policy change in ACC have not met with success, as they were not considered appropriate by ACC management. Capacity building and study visits have had little if any impact, as there is no political scope for reform in ACC.
213. It must be noted that Jordan has made great progress in the last 10 years in the area of microfinance in terms of outreach, sustainability and policy. These efforts have been coordinated by the Jordanian Microfinance Committee under MOPIC, and supported by several donors. MFIs have extremely limited interest in agriculture. IFAD made a concerted effort to fund elements of the Microfinance Strategy, in collaboration with microfinance institutions in Jordan – with a view to expanding their services to rural areas. IFAD found no interest from MOPIC, - as coordinator Jordan Microfinance Committee -, to engage them in this direction, requesting IFAD to remain focused on ACC.
214. Overall, IFAD activities in Jordan have been largely focused on developing and implementing projects. Its impact on broader institutional and policy aspects has been limited. IFAD was not a participant in the successful multi-donor dialogue on microfinance; instead it had to focus on unsuccessful attempts to change ACC. In agriculture, despite IFAD's long involvement with MOA, it has not had a significant impact on either agriculture policy or on building MOA as a more effective institution. It has played a positive role in promoting SWC, but has not made any attempts so far to take it to a national programme level as should have been the goal after three projects over 15 years. The impact on institutions and policy is rated '2' or 'unsatisfactory.'

F. Other performance criteria

Sustainability

215. The benefits from on-farm investments of SWC should be sustainable. The investments being on private lands with a contribution from the land owner provides an assurance that the beneficiary farmers have an interest in maintaining the structures given the significant potential income benefits. Moreover, in one project (YARDP) GOJ decided to continue the stream of activities initiated by the project for two additional years.⁵⁹ Similarly, sustainability of fruit tree orchards is also likely, except in cases where plantings have been on inappropriate soils. There are, of course, market risks that farmers face, and some farmers in YARDP areas reported not being able to sell their produce. But the target crops that have been promoted (including olives) do not face foreseeable adverse future market.
216. Rural roads also have good potential of sustainability as MPWH has the competence and resources for their maintenance. Sustainability prospects of IGAs funded by credit appear good since most of the enterprises are engaged in activities that seem profitable for the household. Failure rates have been low after the initial start-up period. Sustainability of the IGA programme as designed also seems assured since it has been integrated into ACC's portfolio.
217. On the other hand, the sustainability of off-farm SWC infrastructure is uncertain. There are already emerging issues with the maintenance of rehabilitated canals

⁵⁹ A total of JOD 200,000 were made available for 2009 and JOD 100,000 for 2010 for supporting on-farm SWC investments.

and springs because of the inability to organize WUAs that were supposed to have been responsible for maintenance. The responsibility for maintaining the small dams, hafiras and wadi protection structures has not been formally assigned, although the earth dams are apparently being managed by MOWI by default. MOA indicated that it would step in where maintenance and/or repairs would be needed for these structures, but for the longer-term the responsibilities need to be discussed and agreed among various agencies. Thus, the increased production from the crops (generally fruit trees) because of the increased availability of water could decline over time because of water availability falling back to the pre-rehabilitation levels.

218. The sustainability of extension service is also in doubt. The weaknesses in the agriculture extension service are well-known, but IFAD attempts to deal with them have not met with much success, and any improvements that have been made are often not sustained after the closure of the project. NCARE, the agency that took over extension responsibility from the Governorate offices in 2008, is not adequately-equipped to perform its functions effectively. The entire organization has only 25 vehicles for the entire country. The Karak office that is currently responsible for ARMP II project areas has to rely on the PMU vehicles to perform its functions. The entire future of extension is unclear, with still doubts in many governorates about the wisdom of transferring the extension function to NCARE.
219. Community mobilization and development efforts, as noted earlier, have not been very effective and a new approach (of LCCs developing CAPs) was adopted under ARMP II. Although this would no doubt have a beneficial impact on the project itself, the sustainability of the approach is not guaranteed since there is no institutional structure to sustain the activities beyond the project.
220. Overall, despite weak sustainability in a few areas (off-farm SWC, extension), in view of the likely sustainability of benefits from the key components (on-farm SWC, tree orchards and IGAs) the portfolio is rated as '4' or 'moderately satisfactory'.

Innovations, replications and scaling up

221. **Innovation.** Project designs included some important innovative features. In particular two key innovations under the projects include: i) the promotion of community participation in planning and management of natural resources; and ii) the establishment of Water Users Associations. Unfortunately, as discussed earlier in the report, these concepts have not taken hold. It must be noted also that while the introduction of a community participation approach in planning, priority setting and decision making of watershed management, and the preparation of CAPs is innovative at the level of MOA, it can not be considered as an innovation in Jordan as a whole. NGOs have been promoting this concept for many years in various development activities.
222. **Agriculture interventions** have introduced a number of innovative approaches - at least for the areas covered by the projects. The benefits of pruning old olive trees appear not to have been known to most project farmers. Although the practice was only gradually adopted - and to a lesser extent than had been anticipated - those farmers who have adopted it appreciate of its benefits. The slow rate of adoption of the technology may be attributable to the under-resourced state of the extension service. With a better resourced extension service (staffing, transport etc.) that could follow up with a series of demonstrations on the same farm to show the results of deep pruning, it is likely that the technology would be much more widely adopted.
223. Pistachio and vines have been introduced successfully to a significant number of farmers and promise to be sufficiently attractive financially to encourage spontaneous un-supported expansion by individual farmers. With regard to livestock, the control of oestrus using pessaries is new to most owners. This is a

particularly popular intervention and one that could easily be extended outside the project areas as long as professional veterinary guidance can be provided. The creation of PRIME unit) capable of providing socio-economic information on the status of rangeland resources to policy makers was also innovative, although it was not sustained.

224. Several subregional and regional IFAD grants covering Jordan have played an important role in introducing innovations, although links with lending operations have not been strong (see Grant section). Innovations have been introduced in areas such as technologies for better crops-rangeland-livestock integration, identification of salt-tolerant varieties of fodder crops suitable for adoption on marginal lands, improved water-harvesting techniques such as e.g. the modified Vallerani mechanized system,⁶⁰ and piloting grey water re-use in agriculture. The recent IFAD subregional grant for 'Improving Food Security and Climate-Change Adaptability of Rainfed-Barley Farmers in Iraq and Jordan' - administered by ICARDA - is also an innovative response to perceived climate change and the lower rainfall regime that has already been registered in Jordan. Drought-tolerant barley varieties, conservation agriculture and zero tillage will be encouraged. IFAD's encouragement of a shift from wheat to more drought-tolerant barley in ARMP may be regarded as innovative in a similar vein.
225. **SWC investments** were also formulated in most cases based on well-known techniques and practices in Jordan that go back several decades. As already noted, these techniques were used systematically for the first time in a GTZ-funded project in the Zarqa basin, with incentives for land owners to adopt SWC. The IFAD-supported projects essentially built on the approach.
226. **Credit delivery** to the poor and landless using an NGO to manage the line of credit for non-collateral based lending is also considered an innovation. But this concept too could not be implemented. The loan policies of ACC remained largely unchanged from what it did prior to the start of the project, but with a strong and successful push in collection. IFAD's attempts to introduce variations in ACC practices were largely unsuccessful, and the few that were adopted were, with few exceptions,⁶¹ minor and of little consequence despite having been described as "innovations" in various IFAD documents.
227. **Scaling Up.** The NPRRD was not scaled up, despite the stated intention in both the project and the COSOPs. NPRRD faced major implementation difficulties, did not achieve its ambitious goals, and could not develop replicable participatory approach models. Even though Jordan received an important influx at the time of external grant resources allocated to Badia rangeland areas (which is currently funding the BRP)⁶² the limited results of NPRRD could not be scaled up into the BRP, nor did the project contribute to BRP design. This was a missed opportunity for influencing an important national effort for the development and restoration of the Badias. On the other hand, technological, institutional and policy approaches tested by two regional grants cofinanced by IFAD (the Mashreq-Maghreb programme, and the Water Benchmark programme - see grant section) did contribute to the design of BRP.
228. The MOA has replicated the SWC investments in a few areas from Government resources, using largely the same technical approach but without the additional components (e.g. rural roads, community development) that are outside of MOA responsibility. Moreover, the scale of the programme is relatively small. Thus,

⁶⁰ The Vallerani mechanized system, consists of a special tractor-pulled plow that automatically constructs water-harvesting catchments, ideally suited for large-scale reclamation work. Water harvesting systems can help capture runoff flows and rebuild vegetation in degraded areas.

⁶¹ The elimination of salary deductions, despite being relatively simple is considered important change in ACC as they prevented the empowerment of women and the emergence of young entrepreneurs who do not have salaries or pensions to pledge.

⁶² See Government Strategy for Agriculture. Section I.A.

IFAD-funded projects have largely remained as isolated projects. SWC has considerable potential for scaling up to a much larger national programme because of its considerable scope in other parts of the country, significant environmental benefits, and the positive income impact it has on beneficiaries (albeit so far only the better-off land owners have benefitted). IFAD should have been expected to move from a project to a programme approach after more than 15 years of involvement.

229. New plantings of olive trees, vines and fruit trees will be replicable as long as there is a nursery to provide planting material. The MOA nursery at Ouheid near Ma'an covers some 1,700 du and offers olive, vine, pistachio, apricot and pomegranate planting material at subsidised prices. Olive rootstocks cost 60 fils to private buyers and 20 fils to projects; each year the nursery sells between 8,000 and 20,000 rootstocks showing that indeed the activity is replicable and capable of being scaled up.
230. The IGA programme has already been scaled up by ACC since 2000 under its Poverty and Employment Project, with annual disbursements of JD 5 million since 2004, a cumulative number of 12,807 loans up to JD 3,000 and five years, cumulative disbursements of JD 34.1 million and a portfolio outstanding of JD 12.9 million as of June 30, 2011.
231. Overall, despite its positive role in shaping the individual projects, replication and scaling up have not featured in its programme. The one exception was the NPRRD where scaling up was explicitly envisaged under the project, but IFAD did not follow through on it. The innovation, replication and scaling up aspects of the portfolio is rated as '3' or 'moderately unsatisfactory'.

Gender

232. Gender equity and women's empowerment has been a cross-cutting issue considered in all IFAD-supported projects in Jordan. The programme's emphasis on women was relevant. Despite important advances in the country in reducing gender disparity, gender gaps still persists, particularly in economic participation, political empowerment and gender relations, which are more accentuated in rural areas.
233. All projects dedicated efforts to ensure that women were among the target beneficiaries of project interventions. In particular women were a main target of the rural credit component through ACC (women received 82 per cent of credit in ARMP II) and were the beneficiaries of training on income-generating activities and in literacy. IGA loans supported the expansion of activities traditionally performed by women, such as dairy production, dairy processing and bread-making.
234. IGAs financed by credit augmented women's earnings and thus contributed to improve family welfare. The additional income from IGAs allowed women to be more secure financially when they do not have recourse to other sources of income to meet basic household needs. It also provided women with enhanced respect and status in her household and in the community by contributing to the families' well-being. Some women developed basic skills in marketing for the first time.
235. The strengthening of women's organizations, by providing in-kind support for income generating activities, training, and involving them in the local community contributed to empower women in these organizations. Women became more confident with their work and played a role in decision making at the community level.
236. The literacy activities on income generating for rural women were useful. But the training activities were not sufficient enough to address the lack of business capabilities affecting smallholders and did not address long-term viability of small scale rural businesses.

237. On the other hand, key issues of gender relations at the household and community level was not an aspect that was directly part of the projects activities. As a result for example, as most women do not own land and have limited access to a solid collateral, this put pressure on them to meet the difficult eligibility criteria set forth by ACC for credit. And since ACC also requires a regular income earner in the household as guarantor, the husband or sometimes the father - or the brother - was the guarantor of loans taken by women. Such a requirement results in women to keep depending on their male members of the family, and does not contribute to gender equity.
238. Although the projects envisaged female-headed households to be specifically targeted, this objective was not pursued to any great extent in any of the projects. The feasibility of doing this was not explored nor were there specific plans prepared to achieve this.
239. IFAD's efforts on sensitizing field staff on gender issues relevant to rural development by and large contributed to change the attitude towards gender and the commitment to empower women in rural agriculture areas by MOA. On the other hand it did not translate in specific institutional or policy changes. As indicated earlier, the envisaged support to the Gender Unit at MOA did not take place and the Gender Unit was dissolved by MOA in 2004 at the time when ARMP II started.
240. Despite being outlined in project design documents, cooperating with NGOs on gender was not implemented in several cases and remained overall weak. MOA felt its staff was competent enough to deliver the activities as opposed to relying on an NGO to do so. Projects missed the opportunity to benefit more widely from the expertise and continuous support to address the demands of women in the various stages of IGA activities that specialized NGOs present in the area could provide.
241. Overall, despite progress in some areas, the shortcomings in terms of gender equity associated to access to collateral, limited results in institutional and gender policy issues, and missed opportunities to benefit from specialized NGOs, the gender aspects are rated '3' or 'moderately unsatisfactory'.

G. Overall portfolio assessment

242. The overall portfolio assessment is based on ratings for project performance (relevance, effectiveness, efficiency), rural poverty impact, sustainability, innovation/replication/scaling-up, and gender. In conclusion, the CPE rates the Jordan project portfolio moderately unsatisfactory. The contribution of the programme towards project objectives on natural resources management and agricultural development is positive. On-farm and off-farm income has been increased for the beneficiaries. However, the beneficiaries were mostly non-poor due to deficiencies in design of poverty targeting. Limited impact on institutions and policies and on innovation/replication/scaling-up, both of which are of particular importance in a MIC like Jordan, further justify the moderately unsatisfactory rating. Individual project ratings are available in annex 1.

Table 9
CPE Ratings for the Jordan IFAD-funded Project Portfolio and Comparison with ARRI

<i>Evaluation Criteria</i>	<i>Portfolio Assessment</i>	<i>Percentage of Projects in Jordan portfolio with moderately satisfactory or better</i>	<i>Percentage of IFAD projects in NEN region with moderately satisfactory or better rating in ARRI 2011</i>
Core Performance criteria			
Relevance	3	50	95
Effectiveness	4	75	71
Efficiency	4	75	67
Project Performance	3.7	75	81
Rural Poverty Impact			
Household Income/Assets	3	50	79
Social capital/empowerment	3	0	62
Food Security/Agricultural Productivity	4	75	52
Natural Resources/Environment	4	75	74
Institutions/Policies	2	0	53
Other performance criteria			
Sustainability	4	75	52
Innovation/Replication/Scaling up	3	0	67
Gender	3	25	NA*
Overall portfolio achievement	3	50	76

* ARRI covers projects evaluated from 2002-2010. IOE only started rating gender separately as of 2011.

Key points

- Three of the four IFAD-funded projects were focused on increasing on- and off-farm rural incomes through investments in NRM, complemented by extension and credit. One project aimed at providing a basis for a national programme in participatory rangelands management. Poverty, gender and community empowerment were cross-cutting areas of focus.
- The projects were consistent with Government and IFAD priorities and addressed areas of high priority; but deficiencies in design of poverty targeting and insufficient appreciation of the difficulty of community participation mechanisms.
- The three agricultural RM projects were by and large effective, although with significant start-up and implementation delays and achievements falling short of appraisal targets.
- The programme contributed to increase productivity, income and assets. Women benefitted specifically from credit. However, the beneficiaries were mostly non-poor.
- The community empowerment objective has remained elusive due to continuing difficulties in mobilizing communities around project interventions. There was thus limited impact on social capital.
- IFAD-supported programme contributed to improving management of natural resources and environment. Sustainability of on-farm SWC investments appears assured, but off-farm investments face potential issues.
- IFAD support has largely remained project-focused with little evidence of impact on institutions and policies. There has not been any significant scaling up of projects into national programmes.
- There was a sustained focus on gender in all projects. Women were the principal beneficiaries of the credit component that helped them start home-based businesses and thus augmenting incomes. Impact on women in SWC or rangelands management was minimal. Women-headed households were not specifically targeted in the projects.

V. Performance of partners

A. IFAD

243. IFAD has provided effective implementation support through its back-stopping missions when the supervision was handled by AFESD and UNOPS. For example IFAD played a very important role in YARDP during early implementation years actively and proactively engaging in implementation support and performance monitoring, compensating the limitations of supervision by AFESD (focused on procurement and financial aspects). Evidence is available of regular visits of the CPM to the country or the mobilisation of specialized consultants in supervision missions. This is also the case in NPRRD where IFAD fielded regular backstopping or supervision missions all along the project life. These missions were key to identify implementation constraints, clarify technical aspects and obtain the required institutional adjustments.
244. MTRs have been undertaken for all projects and are of good quality, highlighting accomplishments as well as challenges faced by the projects, and proposing overall good suggestions on how they could be addressed.
245. Direct supervision and implementation support has also overall been effective since IFAD took over the full responsibility in 2009, as acknowledged by MOA, who considers various IFAD supervision missions helpful in identifying issues requiring attention and often helping to resolve them with other parts of the Government.
246. On the other hand follow-up to recommendations has been limited in two projects (ARMP I, YARDP) or acted upon after significant delay (NPRRD). In one case (YARDP) the MTR was conducted too late (just two years before project closing) which resulted in that none of the technical recommendations could be implemented. M&E was weak in the earlier projects, but the situation was rectified after the introduction of RIMS in the Jordan portfolio in 2005.⁶³
247. A key issue regarding IFAD's performance has been its inability to resolve some of the design weaknesses and implementation challenges that have been evident for many years and were in fact pointed out by various UNOPS/IFAD missions and evaluations, and in some of the background studies for the projects. This includes the critical issues of poverty targeting, and community participation and empowerment, both of which continue to be unresolved to this day. On poverty targeting, various IFAD studies pointed to the poor not being land owners to any significant extent, yet the programme continued to build around land ownership-based interventions. Similarly, in the case of microfinance, it continued to propose approaches that had been repeatedly rejected by ACC. Finally, despite the critical importance of poverty targeting in the COSOPs and the projects, IFAD made no attempt to monitor ex-post the socio-economic profile of the beneficiaries and continued to report without any evidence that the beneficiaries were "poor or near poor" or that there had been a "breakthrough" in ACC's approach to lending. It seems that successive projects continued to build on concepts that had clearly not worked in previous projects. There was insufficient learning from past experience.
248. IFAD has managed to establish good partnerships with key government counterparts. IFAD has enjoyed (and continues to enjoy) strong and close working relationship with MOA. MOA credits IFAD with exposing it to new ideas, providing good technical advice, and having been its consistent external partner over many years. MOPIC, the other main partner of IFAD in Jordan, also values IFAD support in the sector, although would like IFAD to provide more critical advice on both its programmes and the sector; the partnership for learning and dissemination envisaged with MOPIC in COSOP-II does not appear to have materialized. Only

⁶³ Within the RIMS framework IFAD conducted as Household Baseline Pilot Survey in ARMP II and a Mid-term Benchmark Household Survey in YARDP in 2005.

recently IFAD has engaged with a newly created M&E unit in MOA and developed an M&E strategy with MOA partners in which MOPIC has also participated.

249. As far as policy dialogue IFAD has been persistent in trying to get ACC to change its collateral policies or to experiment with new approaches. It ostensibly reached agreement with the Government at various times, but without getting an explicit agreement with ACC management that even to this date continues to believe that the IFAD's recommendations were not appropriate. At the same time, IFAD missed the opportunity to be engaged in the broader dialogue on microfinance that a group of donors had been supporting, and which provided the foundation of what is today seen as a very successful effort in microfinance in Jordan.
250. The CPE acknowledges IFAD's proactive role in mobilizing significant grant support through its country and regional grants and, recently through GEF. This has allowed it to leverage its own limited allocation for Jordan from IFAD replenishment resources.
251. Finally, the issue of the limited borrowing by the Government from IFAD that had become evident already during the first COSOP,⁶⁴ should have precipitated a deeper discussion within IFAD management. There is little evidence of this having taken place. The second COSOP is surprisingly silent on the issue. IFAD staff might have accepted too readily the Government's borrowing constraints as the reason, overlooking deeper concerns in MOPIC and MOF about the slow pace of implementation of IFAD projects and about their effectiveness.
252. Overall, IFAD has established a good partnership with the government counterparts and by and large provided effective implementation support and direct supervision (the latter in the last two years). On the other hand, the Fund has not been proactive in resolving implementation challenges as well as addressing strategic questions such limited borrowing from the Government. IFAD performance is rated as '4' or 'moderately satisfactory'.

B. Government

253. The Government of Jordan has shown overall a good level of commitment and ownership towards IFAD projects. This was demonstrated for example by the timely compliance with loan effectiveness conditions and by and large ensuring the availability and the timely provision of counterpart funds. Jordan has contributed with US\$0.77 for each dollar invested by the Fund in the country.
254. The MOA has been a very willing and cooperative partner for IFAD. The implementation arrangements put in place by MOA for most projects have been generally effective, and it has been willing to change them when they proved inadequate (e.g. NPRRD). PMUs have proved in most cases a very effective mechanism for project implementation. In ARMP I project success owes much to the dynamism of the PMU. In YARDP the PMU established successful cooperation with the different governmental institutions partners involved in YARDP implementation. The PMU also provided effective leadership in coordinating the wide range of activities included in the project. However, two projects (NPRRD and ARMP II) experienced project management difficulties related to staffing, structure or location. In ARMP II for example delivery capacity is compromised as 16 positions are still vacant, of which 14 relate to critical needs of land use planning and extension. Other challenges experienced during implementation include the MOA's limited interest to partner with NGOs in implementation.
255. A high-level Steering Committee provides oversight and reportedly reviews IFAD projects regularly, although its focus tends to be largely on physical targets and accomplishments. However, it has often not followed-up on recommendations

⁶⁴ The 2000 COSOP envisaged IFAD financing of one project every two years during 2002-2006. Only one project was approved (in Dec 2004) during the COSOP period. The Government has not requested additional borrowing from IFAD after Dec 2004.

emerging from MTRs or evaluations,⁶⁵ a weakness for which IFAD is also responsible, even though the Government holds the primary responsibility to implement recommendations. Despite improvements after the introduction of RIMS, monitoring is still focused predominantly on outputs and insufficiently on outcomes or on providing ongoing feedback on critical issues affecting project performance.

256. ACC has been the other main partner of IFAD for the credit component, with a long association going back almost 20 years. ACC has handled all IFAD projects professionally. It is to be commended for having resisted IFAD recommendations that it found inconsistent with its policies.
257. MOPIC is the coordinating ministry for all donors and in this capacity it is responsible for ensuring that IFAD programmes and projects are consistent with the government's priorities. It is also responsible for monitoring of all donor-funded programmes and for their periodic evaluation as an input to future programming. Senior MOPIC staff, while being supportive of IFAD's work, also expressed reservations about the effectiveness of the programme, particularly in the lack of progress on MOA's institutional development. However, it does not appear to have been proactive in ensuring that their concerns are reflected in the design of the projects or in the COSOPs. For example, as the lead agency that formulated the microfinance strategy, it could have questioned the approaches IFAD was promoting with ACC and requiring that IFAD's support is within the government's microfinance strategy. These deficiencies are in part because of still inadequate M&E capacity in MOPIC, despite recent strong efforts to build this capacity, including the recent creation of an Impact Assessment Unit. This Unit was very supportive of, and actively involved in, the CPE.
258. Overall, MOA has shown a continuing good level of ownership and commitment to partnering with IFAD. It has not been as diligent however in following through on the findings arising from various reviews. Other relevant ministries, while acknowledging the importance of the agricultural sector and IFAD's role, have not always been clear in their expectations from their partnership with IFAD. Based on these, the performance of the Government is rated as '4' or 'moderately satisfactory'.
259. Other implementing partners. ICARDA's office in Amman has enjoyed close working relationship with IFAD over a long period of time. It has implemented several IFAD-funded grants, and provided technical support to various IFAD supervision and evaluation missions. Both the ARM projects and NPRRD benefitted from ICARDA's knowledge sharing from similar projects in the region.

Table 10

Assessment of non-project portfolio activities

<i>Type of non-lending activity</i>	<i>Rating</i>
IFAD	4
Government	4

⁶⁵ As an example, the Interim Evaluation of ARMP had 27 recommendation covering ten different aspects of the project. Most of the significant recommendations from this were not implemented despite having been formally agreed with IFAD as "Agreements at Completion Point" (see ARMP Interim Evaluation, October 2004).

Key points

- IFAD has been an important donor in the agriculture sector in Jordan. It has had a strong partnership with MOA over three decades. MOA has welcomed not only IFAD's financial support but also its technical support and advice.
- IFAD has been successful in mobilizing significant grant financing for projects and technical assistance to supplement its own limited financial resources.
- However, IFAD has not been able to resolve some of the major issues with its projects that have persisted throughout the review period. It has also not been giving adequate attention to improving implementation performance in some cases, a major concern of the Government of Jordan. Direct Supervision and implementation support (as of 2009) has been overall effective.
- MOA has been a willing partner of IFAD and generally diligent in ensuring effective project implementation arrangements. However, follow-up on various agreements during reviews has been weak.
- MOPIC provides effective overall coordination of IFAD activities consistent with its mandate. However, it has not always been proactive in ensuring that IFAD interventions are consistent with Government plans and address adequately their concerns. Its recent initiatives to improve M&E of IFAD (and other donor) projects is a welcome initiative.
- IFAD's past and present cooperating institutions have generally performed well in fulfilling their obligations to IFAD and the Government. ICARDA has been a particularly strong partner.

VI. Assessment of non-lending activities

260. The non-lending activities comprise a group of interventions which are, for the most part, an extension of the operations. As a relatively small lender with a focused mandate, IFAD-supported projects and programmes serve not only to contribute directly to rural development, but to promote a wider policy dialogue, to build partnerships with Government, other donors, NGOs and civil society, and to share knowledge among the concerned stakeholders (project units, government authorities, financial institutions, small enterprise associations, service providers and others).

A. Policy dialogue

261. Policy dialogue is addressed in both the 2000 and the 2007 COSOPs. The 2000 COSOP defined a number of areas for policy dialogue: land use planning, institutional building for rainfed areas and land use rights. Nonetheless, little seems to have been achieved in those areas, as recognized by the "past results, impact and performance" section of the subsequent COSOP prepared in 2007. In the case of land tenure and land use planning for instance, IFAD's role was limited to providing a few inputs, such as a study on land fragmentation in the context of ARMP. In view of the complex situation in Jordan in this area, with a combination of traditional tribal rights, exclusive grazing rights and new agricultural property rights, IFAD's efforts should have required a more elaborate and proactive strategy for policy dialogue beyond providing a few inputs.

262. The 2007 COSOP also identifies an ambitious set of areas for policy dialogue, including: water policy; land tenure and usufruct rights on the rangelands; establishing a national fund for rainfed areas; support to farmers' organizations; agricultural marketing; microfinance; pro-poor extension; and climate change adaptation strategies. These areas are relevant to national policies and respond to the needs of the poorest as experienced by IFAD in its past interventions. Despite some achievements there is however, little evidence of a significant dialogue leading up to policy changes in the areas identified by the 2007 COSOP.

263. The evaluation acknowledges the valuable role played by IFAD regional grants (see Grants section later in this chapter) in promoting dialogue between international institutions (e.g. ICARDA, International Development Research Center [IDRC], ICBA, GEF) and the government, in particular MOA and NCARE. For example IFAD has recently intensified its engagement in climate change adaptation activities through a regional grant aimed at improving food security and climate change adaptability of rainfed barely farms in Iraq and Jordan (and also through the GEF grants). The climate change adaptation grant will assist communities in coping with expected climate change impacts, and will attempt to enhance understanding and awareness of the impacts of climate change. This could form the basis of its policy dialogue with the Government in this important area.
264. On the other hand, in the field of microfinance (one major area where IFAD has attempted to influence policy) results have been weak. IFAD used a combination of loan and grant resources to support the changes in ACC lending practices. Dialogue between IFAD and ACC resulted in some policy adjustments by ACC, but these have all been minor. The fundamental issue of collateral requirements remains a challenge for the poor and, as noted previously, ACC has continued to disagree with various IFAD proposals in this regard. Moreover, despite the fact that during the past ten years, Jordan (actively supported by various donors, including USAID and the World Bank) has made remarkable progress in the preparation and implementation of a national microfinance strategy, IFAD has not been a participant. The microfinance strategy, promulgated in 2005, has been updated recently under the new policy framework for inclusive finance under the leadership of the National Microfinance Commission under MOPIC.
265. In the case of rangeland management, also both grant and loan activities aimed to support strategies and policies for the sustainable development of rangeland resources. As discussed earlier (see institutions and policies), the PRIME unit - supported by NPRRD - contributed to strategies, policies and laws on rangeland and agriculture. However it was not sustained after project closure and does not seem to have influenced long-term policies for the rangelands, nor larger policy issues such as land tenure, feeding subsidies or credit.
266. It also appears that IFAD did not take advantage of the potential for policy dialogue from the significant experience on gender that has been accumulated by IFAD-supported projects in Jordan. IFAD did little to reach out to national NGOs working on women's issues and advocacy. There are important lessons learned and recommendations on gender in rural areas (microfinance, literacy, land ownership, etc.) that could be fed to organizations such as the Jordanian National Commission for Women which is considered an umbrella for women's issue in the country in formulating policies and national programmes for Jordanian women. Research, information and gender disaggregated data about rural women is scarce in Jordan and IFAD could have played a role in feeding policy recommendations to these organizations and impact policy changes in favour of rural poor women at a national scale, especially since IFAD is one of a few donors engaged in the agriculture sector in Jordan.
267. Finally, despite being a key partner for the Government in rural poverty alleviation, IFAD has only recently attempted to contribute to the preparation of key strategic documents in agriculture. IFAD did not contribute to the preparation of the NSAD 2002-2010. On the other hand, it has recently agreed to the Government's request to utilise funds from the ongoing ARMP II project and the GEF component on sustainable land and water management to support preparation of the new Agricultural Sector Strategy for the period 2011-2020. Also, through its collaboration with UN in Jordan (see UNDAF Jordan 2008-2012) IFAD is contributing to policy dialogue with the Government in relation to strategic approaches to achieve the MDGs.

268. Progress on the policy dialogue agenda proposed by the COSOPs has been overall limited. The list of issues have been too ambitious in relation to IFAD's capacity to engage in an ongoing dialogue with the Government – in particular without a country presence. Despite recent attempts to contribute to the new agriculture strategy IFAD has not participated in the preparation of two key strategies, i.e the First National Agriculture Strategy (2002-2010) and the 2005 Microfinance strategy. Moreover, notwithstanding the use of grants, IFAD's policy dialogue in Jordan has been constrained by the relative limited lending cooperation during the last COSOP period.

B. Partnership building

269. Both COSOPs enumerate main partners with which IFAD intended to collaborate, including key government ministries, research institutions, NGOs, other UN agencies, and other donors. As the main donor in agriculture IFAD has managed to establish a strong partnership with MOA. It also maintains a close relationship with MOPIC, NCARE, and ACC. Partnership with the UN agencies is pursued mainly through IFAD participation in the Common Country Assessment (CCA) and UN Development Assistance Framework (UNDAF) processes. IFAD is also collaborating closely with the UNDP and other UN agencies under the Joint Food Security Programme.
270. The strategic partnership with the International Center for Agricultural Research in Dry Areas (ICARDA)⁶⁶ and also with the IDRC needs to be highlighted as they are implementing a number of research and knowledge sharing programmes financed by IFAD grants (see grant section). The recent partnership with the GEF is promising with sizeable cofinancing and potential for joint knowledge management and policy dialogue particularly in climate change. IFAD has also engaged in discussions with the European Commission for a potential EU up scaling of water management activities in the Yarmouk river basin. The Government has continued to fund the YARDP in Northern Jordan after the project closed.
271. Some planned partnerships with other donors mentioned in the COSOP did not materialize for reasons mainly out of IFAD's control. In particular, several key donors in agriculture have suspended their interventions in Jordan, such as GTZ and USAID, apparently for concerns raised with the over-exploitation of water resources by the agriculture sector in irrigated areas in the country (not areas covered by IFAD), but also in view of MOA's limited commitment to reforms. Partnerships with other traditional IFAD partners in other countries like the Islamic Development Bank and the World Bank also appear to have been limited, partly because of their focus on water issues mainly in the Jordan Valley with the MOWI and low level engagement in rainfed agriculture. This has also made more difficult to have a donor-led approach to issues of policy dialogue since aid programmes in agriculture are very few, with the exception of food security (see above).
272. Some cooperation has taken place with NGOs such as training on participatory approach by Care International for several loan operations or work with the Noor Al Hussein Foundation for rural women's micro and small enterprises, but MOA's overall weak inclination to work with NGOs has hindered the possibility to develop more linkages. IFAD strategy in Jordan has focused on working predominantly with, and building capacity of government structures. Given the focus areas of the programme, there were not any significant opportunities for developing partnership with the private sector. The one area where private sector partnership could have been pursued was in extension services, where the private sector is playing an increasingly important role in Jordan, while the publicly-provided extension has continued to perform poorly.

⁶⁶ ICARDA is the main international agricultural research institution working on dryland farming systems.

273. As far as cofinancing, IFAD has managed to partner with several cofinancing institutions, ensuring considerable levels of co-funding (US\$1.3 for each US\$ invested by IFAD), but only in the last two projects approved. The two oldest projects evaluated by this CPE did not include any cofinancing. The cofinancing partners in the two latest IFAD supported projects have been OFID (US\$15.2 million), GEF (US\$6.4 million), the Abu Dhabi Fund (US\$5 million), and AFESD (US\$2.7 million). AFESD was also the cooperating institution for 5 of the 7 projects supported by IFAD in Jordan.
274. Regarding the Paris Agenda on Aid Harmonization, the 2008 Donor DAC questionnaire revealed that IFAD's projects are aligned to Government priorities, use Government's financial channels and follow its budget procedures, reporting to a central steering committee.

C. Knowledge management

275. IFAD has mainly supported knowledge sharing and dissemination in Jordan through regional grants, particularly through the Knowledge Access in Rural Interconnected Areas Network in the MENA region (KariaNet). The KariaNet programme (Phases I and II) supported by IFAD and IDRC has provided since 2005 the mechanisms for projects to share their experiences and network, receiving a largely positive feedback from users (as per the programme completion report for Phase I). Both the closed YARDP and the ongoing ARMP II were members of KariaNet. According to the COSOP 2007 MTR, the interaction between projects associated to KariaNet has been useful. In the case of ARMP II, the project has shared useful lessons on the effectiveness of its approach and outcomes, including on innovations in SWC. These have been published in the global media. In the case of YARDP, a report was published on actions for women empowerment. Phase II aims in particular at promoting discussion and sharing of lessons in relation to ensuring sustainability of results.
276. A number of agriculture research and technical assistance regional grants covering also Jordan (e.g. the Mashreq/Maghreb programmes on integrated crop-livestock, the Water Benchmarks projects on management of scarce water, and the commodity chain analysis for horticulture and for medicinal plants - see grant section later in the chapter) have also contributed to stimulate the transfer of knowledge and experience between different countries with similar environmental, economic and/or social conditions. These grant-funded regional programmes have included some activities aimed at disseminating their research findings among projects, public institutions and the donor community. However, further efforts to document experiences and ensure wide outreach are required.
277. IFAD-supported projects have also invested in socio-economic and impact surveys (6 since 2008). For example, ARMP II prepared a study of the impact of SWC interventions in the project, including the monitoring of real economic rates of return linked to the loan, which has direct implications for discussions on possible future IFAD lending operations in Jordan. However, knowledge sharing seems to have been directed mainly at national counterpart institutions (in particular MOA). As recognized by the Government of Jordan self-assessment, there is ample room to make lessons learnt accessible to a wide range of users and contributors in Jordan.
278. The NENA Regional Programme for CaMaRi aimed at building the capacity of regional institutions and professionals to respond to an increased demand from rural development programmes and projects to improve the way they manage for impact and report on performance, particularly at an impact level. It was implemented by Capacity Building International (InWEnt) and the Regional Center on Agrarian Reform and Rural Development for the Near East (CARDNE). However, the evaluation found no information on CaMaRi activities in Jordan.

D. Grants

279. Jordan has benefited from two types of grants: country-specific grants (under the responsibility of the CPM) and NEN subregional and regional grants.
280. Country-specific grants have included one IFAD grant of US\$0.4 million which assisted ACC in introducing microfinance best practice in connection with the ARMP II project (still ongoing) and two grants from the Global Environmental Facility (GEF). GEF grants are mobilized by IFAD in its capacity as a GEF agency. The first GEF grant (MENARID)⁶⁷ was approved in 2008 for US\$6.4 million and cofinances ARMP II. The second one (Mainstreaming Biodiversity in sylvo-pastoral and rangeland landscapes in poverty pockets in Jordan) was approved in May 2011 for US\$1 million⁶⁸ and is a stand-alone project (see annex 3 for a complete list of grants).
281. Jordan has also participated in several IFAD NEN sub-regional and regional grants aimed at various objectives, including introducing innovative approaches and technologies to improve the livelihood of poor farmers and also knowledge sharing (see KM section). As noted earlier in the report, (see section IV.F, Innovation) innovative approaches were pursued in areas such as: integrated crop-livestock management; salt-tolerant varieties; adaptability to climate change; potential high value crop production; and water conservation and management. Also, two grants allocated to the Near East North Africa Regional Agricultural Credit Association (NENARACA) included a study of the reform of ACC and studies of the Development and Employment Fund in Jordan.
282. Grant recipients have been in most cases international research institutions, mainly ICARDA, but also other institutions such as IDRC and ICBA. A few grants have also been received by NGOs, such as CARE Jordan and the Italian Association for Women in Development (AIDOS). The following box describes key selected agriculture-related regional grants covering Jordan which have been completed.

Box 1

Key Regional Grants covering Jordan

The **Mashreq/Maghreb integrated crop-livestock projects** (cofinanced by AFESD) were implemented in three successive phases from 1989 to 2009 by ICARDA, IFPRI, and in Jordan by NCARE. They developed technological, institutional and policy options for better crops-rangelands-livestock integration in low-rainfall areas. In particular, the grant developed a community approach that was used to determine community constraints and opportunities and to develop agreed action plans for communities to undertake adaptive research and evaluate technology options related to **crop-livestock integration**. The community approach was attempted in Jordan, but with overall limited success. On the other hand the introduction in Jordan (originally developed in Iraq) of animal feed-blocks must be acknowledged as an important result of the project. Animal feed-block are produced using a simple technology that utilises crop residues and agro-industrial by-products for supplementing poor quality roughages and native rangelands.

The **Programme for Saving Freshwater Resources with Salt-Tolerant Forage Production (2004-2009)** in Marginal Areas of the West Asia and North Africa Region, implemented by ICBA in Dubai, has aimed since 2005 to identify salt-tolerant varieties of fodder crops suitable for adoption on marginal lands. In Jordan screening of a large number of forage crops was carried out by NCARE, and a number of salt-tolerant species and cultivars were selected. It also established a national demonstration site and applied adapted technical forage production systems. However, it did not link up to IFAD-supported initiatives in the country. On the other hand, the results are expected to be used by the Hashemite Fund for the Development of Jordan Badia.

⁶⁷ MENARID Mainstreaming Sustainable Land and Water Management in Jordan Project.

⁶⁸ Total project cost is US\$4.3 million. GEF US\$1m; Government of Jordan US\$3m; Royal Society for Conservation of Nature US\$0.3 m.

Box 1

Key Regional Grants covering Jordan – Cont.

Commodity chain analysis for selected horticultural exports and for Selected Medicinal and Aromatic Plants (MAPs) (2007-2010). A very comprehensive report was prepared on the current status of oregano and sage production, collection and marketing in Jordan, and the possible future commercial prospects for the crops. A second report was prepared including Moroccan olive and cherry production. Parts of this report have some relevance for Jordan's olive production in that they give a good overview of increasing yields, upgrading processing and improving marketing in order to meet the demands of the international olive industry. However, there is limited evidence of use having been made of the findings in IFAD's Jordan projects beyond some activities prepared by IFAD, in collaboration with the GOJ in 2011

The Community-Based Optimization of the Management of Scarce Water Resources in Agriculture in West Asia and North Africa (**Water Benchmarks Project**) (2004-2009) was implemented by ICARDA and managed by NCARE in Jordan. The grant in Jordan has demonstrated improved water-harvesting techniques, cropping systems and instruments (e.g. the modified Vallerani machine) in micro-catchments for higher fodder shrubs and fruit tree production. Higher rates of returns for barely were recorded with the improved water-harvesting techniques compared with planting barely with traditional pits. NCARE has now adopted this approach for new projects including water harvesting projects with GIZ support and also in its participation in the ARMP II. There was no link to NPRRD. According to the completion evaluation of the grant (IFAD, July 2009) less progress was made in integrating results into policy requirements for the Badia development and restoration.

The **MENA Regional Water Demand Initiative** implemented by IDRC researched grey water re-use for agriculture in Jordan, and yielded promising results, particularly for olive production.

283. Links with lending operations have by and large not been strong. Two grants to NGOs supported initiatives that were directly linked to lending activities such as e.g. participatory rangeland management coordinated by CARE - linked to NPRRD - and the development of a women's village business incubator, implemented by AIDOS in partnership with the Noor Al Hussein Foundation as part of ARMP II. On the other hand, the expected links with the relevant loan did not happen in several grants such as the Salt-tolerant forage production, the commodity chain analysis, the Mashreq/Maghreb (M&M) grant, and - only partially - on the Water Benchmark projects. In light of the high relevance of the grants to the objectives of loan-funded operations (e.g. integrated crop-livestock approaches promoted by the M&M grant to NPRRD) the absence of link or collaboration between them is an important missed opportunity.
284. On the other hand, results from grant supported research such as e.g identification of salt-tolerant varieties and improved water-harvesting techniques have been - or are expected to be - replicated in a few cases by government-supported programmes.
285. Jordan is currently participating in a total of seven IFAD regional grants,⁶⁹ covering a variety of areas such as knowledge management, rural finance, women's economic empowerment, water management, food security and climate change. The recent (approved in March 2011) Improving Food Security and Climate-Change Adaptability of Rainfed Barley Farmers in Iraq and Jordan, needs to be underlined in view of its innovative content and potential to contribute to policy dialogue (see innovation and policy dialogue section earlier in the report). It is expected to feed in to ongoing activities relating to livestock improvement and natural resource conservation in ARMP II, complementing its GEF component.

⁶⁹ Estimated total allocation for Jordan US\$2.97 million, out of which estimated IFAD allocation is US\$1.9 million. PMD, March 2011 Mission Aide Memoire.

286. The new GEF funded stand-alone project "Mainstreaming Biodiversity in Sylvo-Pastoral and Rangelands Landscapes in the Al Sharah Agricultural Development Region in Southern Jordan" project aims at promoting new approaches to ecosystem management by e.g. reintroducing traditional Al-Hima areas (community conserved areas) and introducing payment for environmental services. Furthermore, the project includes policy implementation, partnership building, capacity development, institutional development and community collaboration. It is too early to evaluate any results from this grant as it was approved in May 2011. The other GEF stand-alone (currently in the pipeline) will promote the use of advanced irrigation technology aimed at reducing the vulnerability to climate change of the agricultural system in the country.
287. The mobilization of three GEF-funded projects executed by IFAD in Jordan must be underlined as an important accomplishment of the programme. GEF funding could build the case for a continued engagement of IFAD in Jordan, irrespective of the country's fiscal constraints and could serve as platform for policy dialogue on climate change issues (based on in-country interventions and IFAD's recognized capacity as a GEF agency).
288. IFAD has managed to direct a significant amount of grant support to Jordan. Overall, IFAD regional grants have been useful in supporting agricultural research (including innovative approaches and technologies) that has been relevant to the country, in facilitating knowledge exchange activities within the region, and in promoting dialogue between international institutions (e.g. ICARDA, IDRC, ICBA NENARACA, GEF, GM) and the government, in particular MOA and NCARE. In view of the country's borrowing difficulties and the reduction in the number of IFAD loans, IFAD's grant activities (regional, and also in particular GEF resources) have been a useful channel to continue engaging in a diversified manner in the fight against rural poverty in the country together with the Government. On the other hand, by and large links between regional grants and lending operations has been weak, therefore providing only a limited contribution to enhancing field-level impact of IFAD supported programme in Jordan.

E. Overall assessment

289. Overall, the CPE assessment of the non-lending activities is moderately satisfactory (4). Results in policy dialogue have been limited. In particular dialogue on microfinance and national agriculture strategy (despite recent attempts) have been weak. IFAD has established strong partnerships with government institutions, but less with NGOs and private sector. The recent partnership with the GEF is promising. Knowledge management has been mainly supported by regional grants (e.g. KariaNet). IFAD projects have also invested in valuable studies. There is room to improve outreach in both efforts. Despite limited integration between grants and lending operations, the grant portfolio has been relevant and useful to the programme.

Table 11

CPE Ratings for Non-lending Activities

<i>Type of non-lending activity</i>	<i>Rating</i>
Policy dialogue	3
Knowledge management	4
Partnership building	4
Overall assessment	4

Key points

- Progress on the policy dialogue agenda proposed by the COSOPs has been limited. The list of issues has been too ambitious in relation to IFAD's capacity to engage in an ongoing dialogue with the Government.
- IFAD recent engagement in climate change adaptation activities - through regional and GEF grants - could form the basis of its policy dialogue with the Government in this important area.
- IFAD has managed to establish a strong partnership with MOA. It also maintains a close relationship with MOPIC, NCARE and ACC.
- IFAD strategy in Jordan has focused on working predominantly with, and building capacity of government structures. Some cooperation has taken place with NGOs. No significant partnerships with the private sector during the period evaluated.
- IFAD has managed to ensure considerable levels of co-funding (US\$1.3 for each US\$ invested by IFAD), but only in the last two projects approved.
- The KariaNet regional programme has been useful in supporting knowledge sharing and dissemination in Jordan. IFAD-supported projects have invested in a few valuable studies and surveys. There is ample room to make experiences and lessons accessible to a wide range of users in Jordan.
- IFAD has managed to direct a significant amount of grant support to Jordan. In view of the limited lending portfolio in the country, so far it has allowed the Fund to remain engaged in a diversified manner in rural development in Jordan.
- IFAD regional grants have been useful in supporting agricultural research (including some innovative approaches) that have been relevant to the country needs, in facilitating knowledge exchange activities within the region, and in promoting dialogue between international research institutions and the government.
- On the other hand, by and large links between regional grants and lending operations has been weak, therefore providing only a limited contribution to enhancing field-level impact of IFAD supported programme in Jordan.

VII. COSOP performance**A. Relevance**

290. Despite the relatively low level of poverty in the country, its alleviation is a recurring theme in the Jordanian social and economic plans and strategies. Although the types of rural interventions supported by IFAD do not feature explicitly in the Government's poverty alleviation strategies, the most recent one being the ESPP (see country context, public policies for rural poverty alleviation), it is certainly implied in the plans that poverty should be an important feature of all sectoral strategies. Thus the COSOP's poverty focus is consistent with Government priorities.
291. IFAD's objective in Jordan of improved and sustainable access to land and water resources is fully in line with the National Agriculture Strategy, which includes the optimum use of natural resources such as soil and water as one of its three main thrusts. The country is classified as chronically water scarce and land is subject to significant erosion and desertification.
292. Community participation and empowerment also feature prominently in the plans of relevant ministries (MOPIC, MOA and MOSD) and NGOs, with various strategies being explored for the best ways to achieve this objective. Most of the initiatives in this area tend to originate in various donor-funded projects. Whether or the extent to which they are internalized in the thinking of the government is still unclear. IFAD giving prominence to community participation and helping the Government adopt it more widely is therefore appropriate.

293. Rainfed agriculture and rural financial services are also appropriate in relation to IFAD's comparative advantage in Jordan. These subsectors have not been by and large the focus of most donors in recent years in Jordan, while IFAD has accumulated significant knowledge and experience in these areas over 15 years. Thus, in terms of importance of the issues and their alignment with Government and IFAD priorities and policies, the relevance of both COSOPs is very high. Most of the proposed interventions mirror the approaches IFAD and other donors have typically supported.
294. The **focus on rainfed semi-arid areas and in the Badia** is also relevant because that is where most of the rural poor are. Both areas also have significant implications for the environment. The Badia faces the threat of over-grazing and is feared to face the increasing prospect of desertification which, in turn, further threatens rural livelihoods. Rainfed areas face important challenges for agricultural development, both from a shortage of water and from soil erosion in the steeper slopes. SWC measures in these areas can not only increase agriculture opportunities and raise incomes, but also allow water that would otherwise run-off put to productive use.
295. The key evaluation issue, however, is whether the proposed interventions were appropriate to achieve the over-arching objective of **alleviation of rural poverty** as articulated in both COSOPs and in line with IFAD's stated institutional mandate. The conclusion of this evaluation is in the negative. The proposed interventions, worthwhile as they may have been for other objectives, did not and indeed could not achieve its over-arching objective. An inadequate assessment of the characteristics of rural poverty and insufficient internalizing of the lessons of experience over the review period led to a flawed selection of components and instruments to achieve this objective.
296. The SWC investments that were the foundation of increasing farm incomes of the poor can, by definition, only be targeted at the poor who own land. But many, if not most, of the rural poor under US\$2 per day are not land-owners. The 2009 Poverty Assessment Update⁷⁰ indicates that only 12 per cent of the population in the lowest quintile own land. Surveys done by IFAD in the course of the preparation of the (aborted) last project in 2009 indicated that most of the rural poor in this group own no or minimal land - less than three du - (see annex 10). Thus a land-ownership based programme of improving farm incomes has little prospect of reaching IFAD's target groups and was an inappropriate instrument for poverty alleviation.
297. IFAD's approach does not appear to have been based on a solid assessment of rural poverty - beyond the extent of poverty in the project areas - including the socio-economic characteristics of the poor and on the nature of land holdings. It does not seem either to have used its own project experiences on this matter that were already pointing to the poverty targeting issue as long back as ARMP (1995). Even casual observations of project sites during the CPE mission indicated that the beneficiaries were not poor.
298. The SWC investments could perhaps be justified on poverty alleviation grounds if these could be formulated as making a broad improvement in agriculture in the poor areas. This would require a much broader area-wide participation by most of the land owners, a much greater integration of agriculture with SWC, and helping farmers move up the value chain.
299. The credit component has been important for non-farm income-generation but lacked an appropriate institutional design to be able to reach IFAD's target groups. IFAD had recognized that reaching the poor would mean that credit must be provided without collateral following the by now well-established approaches

⁷⁰ Hashemite Kingdom of Jordan, Poverty Update. Department of Statistics, MOPIC and World Bank. November 2009.

pioneered by MFIs in various countries around the world, including Jordan. However, there was no analysis done on how the credit would have to be structured to reach the poor and landless who lack collateral, and whether ACC is the right institution to achieve this objective. The COSOPs appear to have been designed with the hope that either ACC could be persuaded to modify its lending approach⁷¹ or some new innovative mechanism would emerge. The long experience with ACC and its very clear and unbending policy of insisting on collateral should have been enough to indicate that changing ACC policies is not a realistic proposition.

300. The second COSOP broadened the credit objective to include rural finance more generally, presumably also to include reaching the poor, but again without indicating how this is to be accomplished. It is noteworthy the COSOP does not acknowledge the review of rural finance that was conducted by IFAD itself in 2001 which had pointed to the issues with ACC and the obstacles to reaching the poor. As late as May 2011, IFAD missions were still exploring alternative institutional arrangements to ACC. In August 2011 the GOJ agreed to broaden the rural finance service provider base so that ACC would not be the only credit provider.
301. Community empowerment was the other area where the COSOP intentions were not backed up by specific plans. Difficulties with mobilizing the communities had plagued the projects right from the beginning. This was noted in several supervision reports, with some even noting some seemingly intractable reasons (e.g. MOA reluctance, conservative nature of communities, distrust of NGOs, etc.) for the difficulties. But there is no evidence of attempts to deepen the understanding of the issue to design alternatives. It seems that by the time of the second COSOP, the idea of working with NGOs that IFAD had pursued unsuccessfully for several years had been largely abandoned, but without specifying the alternative approach. The second COSOP expects that communities mobilized around SWC investments would over time be able to influence other government programmes in the area, but provides little indication of how this would happen in practice.
302. Both COSOPs rightly envisaged an agenda for **policy dialogue** on some very pertinent issues. However, some were difficult, and the agenda too ambitious, identifying a long list of issues (see policy dialogue section). No attempt was made at prioritization nor at making sure that the proposed objectives are backed up by adequate (or any) non-lending support. While IFAD was successful in mobilizing significant grant resources for some studies, it appears to have been on an opportunistic basis, as most do not seem to have been linked to the COSOP's policy reform objectives. This has limited IFAD's potential contribution to Jordan in the agriculture sector that the Government appropriately expects.
303. The **partnership agenda** was similarly over-ambitious and impractical. The COSOPs identified partnership possibilities with more than a dozen bilateral and multilateral agencies and several NGOs. The second COSOP also envisaged partnership with the private sector. However, the specific steps that IFAD were to take towards this objective were not specified. Again, a more focused approach to the most relevant agencies would have been more effective. Within the government, the second COSOP highlighted various government agencies as potential partners. These include MOSD, that has a significant role in various programmes for poverty alleviation, and MOWI, the lead ministry in water resource planning. In practice, the programme has been largely designed around MOA, with MOPIC playing a coordinating role.
304. As mentioned earlier, the COSOPs indicated lending, knowledge management, policy dialogue, innovation, and partnerships as the areas of focus. It expected

⁷¹ The SWOT analysis of various potential partners in the second COSOP notes that "ACC is open to project-based innovative approaches". ACC management indicated no such openness to the CPE mission.

loans and grants to be the main instruments to promote these objectives, but without specifying implementation details. There was no discussion of any resources or advisory services that IFAD could mobilize for policy dialogue. In practice, IFAD's focus was primarily on loans.

305. In sum, the COSOPs proposed several worthwhile goals, some of which (e.g. SWC) had the potential to produce good results. However, some of the most critical COSOP objectives that derive from IFAD corporate strategy, notably sustainable rural poverty alleviation and community empowerment, were not supported by appropriate choice of interventions. The SWC investments have important environmental benefits but would do little to alleviate rural poverty. A more thorough assessment of rural poverty would have pointed to the limitations of a land-ownership based programme for rural poverty alleviation. Also, since the SWC projects have failed so far to do integrated area-wide improvements in agriculture (the "ridge to valley" approach) because of sporadic and isolated participation of individual landowners, it is not possible to justify the interventions as having an indirect spill-over effect in benefitting the poor in the project areas.
306. Some recent IFAD missions have raised the possibility of IFAD support -among others- for agricultural marketing, supply chain development, and agricultural processing among some of the newer areas for IFAD support in the next COSOP. While the CPE mission did not examine these proposals in any depth, it can only add a word of caution. Such activities are very difficult to implement, particularly in an environment of severe constraints on the capacity of the public institutions. Recent attempts in these areas by other donors (the World Bank) have not been successful for these reasons. IFAD should carefully review these experiences before considering them for IFAD support.
307. **Country programme and COSOP management.** IFAD adoption of direct supervision and implementation support as of 2009 (in line with IFAD's corporate decision) is a step in the right direction to strengthen country programme management. While it would normally be preferable to have implementation support carried out from staff located in the country, the small size of the country programme precludes this possibility.
308. IFAD do not appear to have adequately taken account of lessons from ongoing operations in the preparation of the COSOPs. The issue of poverty targeting in both SWC and credit had been recognized long back and most certainly during the first COSOP implementation, but the second COSOP continued with the previous approaches. The poor experience with community participation was known well before the first COSOP from the NPRRD and ARMP I, but it was not until the second COSOP that it was recognized to some extent. Even then, the issue is far from having been resolved satisfactorily.
309. A MTR for the second COSOP was carried out in 2010. However, the MTR focused largely on physical aspects and gave virtually no attention to the outcome indicators'. It based the assessment on only a small sub-set of "milestone indicators" that were also predominantly physical targets. Thus, IFAD lacked the basis on which it could have considered mid-course correction, although - based on the CPE analysis - these would have been difficult given the serious design flaws.
310. The second COSOP for Jordan was one of the early COSOPs after IFAD management mandated the introduction of a results framework. There was insufficient experience in IFAD with the new Results-Based COSOP and, at least judging from the highly unrealistic framework approved for the Jordan COSOP (see COSOP effectiveness below), inadequate management attention.
311. The relevance of the COSOPs is rated as '3' or 'moderately unsatisfactory'.

B. Effectiveness

312. The assessment of effectiveness of the two COSOPs needs to be made at two levels: (i) the extent to which they have been, or likely to be, successful in helping achieve the overarching objective of alleviating rural poverty; and (ii) whether the strategic objectives that underpin the poverty objective have been, or are likely to be, achieved.
313. In terms of the poverty objective, for the reasons of inappropriate design mentioned under 'relevance', one can only conclude that the COSOPs have not contributed towards poverty alleviation. The beneficiaries of the types of interventions proposed could only benefit the relatively better off groups. This was borne out under the assessment of the portfolio.
314. The second part of effectiveness requires assessing progress against the objectives and outcomes as defined in the COSOP. The second COSOP provides a results framework which can be the basis for the assessment. The outcome indicators in the framework for each of the three objectives were as follows:

<i>Strategic Objective</i>	<i>Outcome Indicator</i>
SO1: Improved access to markets, rural finance and technical advisory services for poor rural women, and men	<ul style="list-style-type: none"> • 25 per cent of target communities have access to improved rural financial services by year 3 and 50 per cent year 5. • At least 15 communities have improved market linkages reporting increased sales of agriculture products by 25 per cent. • Youth unemployment reduced by 10 per cent in programme areas. • 30 per cent of farmers trained or supported in programme area use improved technologies and report production/yield increases (by types and disaggregated by gender).
SO2: Improved and sustainable access to land and water resources for poor rural women and men	<ul style="list-style-type: none"> • 30 per cent increase in area of community property resources under improved management practices in programme area. • 60 per cent number of households with security of tenure over natural resources.
SO3: Strengthening the capacities of rural poor and their organizations	<ul style="list-style-type: none"> • 80 per cent of IFAD target group in identified programme areas have community plans included in local government plans. • 50 per cent of groups operational/functional (disaggregated into land care, production/marketing, savings and credit).

315. In general, most of the outcomes identified in the results framework are unlikely to be achieved. There is little in any of the projects or non-lending activities that could be construed as improving farmers' access to markets. Some IFAD reports point to rural roads as improving market access. These were minor components of the projects and, as noted under portfolio, often lack economic justification. There has been little progress also on making rural financial services available in the programme areas beyond the presence of ACC that, as discussed earlier, has only been providing finance to a narrow group of population that is willing and able to meet its collateral requirements. Moreover, ACC presence in the programme areas pre-dates IFAD projects. The COSOP MTR (October 2010) overstates the rural financial services as being met by citing ACC's presence and exaggerates the prospect of transformation of ACC.⁷²
316. There has been significant progress on **sustainable access to land and water resources** and the IFAD programme indeed has been successful in bringing significant area of marginal lands under cultivation. But the level of achievement is highly unlikely to be anywhere near the 30 per cent participation envisaged in the results framework. There is no progress on land titling; IFAD interventions have not dealt with this issue having focused only on lands that have recognized property owners.

⁷² It states ".....dialogue between IFAD and ACC has resulted in the easing of the loan guarantee for women. They can now obtain financing with a guarantor (e.g. husband or relative) instead of collateral and guarantors no longer repay the loan directly." page 53.

317. On **strengthening the capacities of the poor and their organizations**, after largely unsuccessful efforts in mobilizing communities in three of the four projects, a stronger effort is being made under ARMP II, the ongoing project, with GEF financing. A number of CAPs have been prepared but, as noted previously, these have so far only been in the nature of community inputs in determining project interventions and have not been conceived as being able to influence broader local (or national) government programmes. WUAs have either not been formed or working ineffectively.
318. On policy dialogue, the CPE found no evidence of any significant attempts at systematic policy dialogue in any of the areas identified in the COSOP, except for a few technical interventions linked to the projects. IFAD efforts on microfinance have not resulted in any change in policy for rural finance nor is it likely in the remaining COSOP period.
319. It must be recognized, however, that the **COSOP results framework is unrealistic**, well beyond the capacity of IFAD to undertake or influence, even if it had a much larger programme. A more realistic assessment of effectiveness would recognize reasonable progress on bringing a significant area of previously unproductive land in rainfed areas under cultivation, conservation of scarce water resources, and helping a significant number of moderate income women with off-farm income generating activities. The programme also contributed to some improvements in agricultural practices by introducing new technologies and practices to Jordan from other countries in the region. Indeed, the CPE believes that there is an opportunity for these investments to be continued under a more ambitious national programme of SWC. To a more limited extent, the COSOPs also contributed to institution building in MOA. As virtually the only donor in the agriculture sector, IFAD has developed a strong partnership with MOA.
320. Overall, despite the fact that IFAD financed some worthwhile investments in SWC, and promoted significant credit to help small businesses in rural areas, it failed to achieve its overarching goals of reaching the poor and in accomplishing community empowerment. Thus, the effectiveness of COSOP is rated as '3' or 'moderately unsatisfactory'.

Key points

- IFAD strategic objectives as defined in the COSOPs are generally in line with Jordan's development priorities.
- The interventions were appropriately targeted at rainfed semi-arid areas and in the Badia that have a larger number of rural poor. But the COSOP's lacked a clear strategy for reaching the target groups.
- The focus on land ownership for SWC investments and collateral for credit essentially ruled out the poor as the beneficiaries. Insufficient account was taken of Jordan's unique circumstances and profile of the poor.
- COSOP emphasis on community empowerment understated or underestimated the difficulties in mobilizing communities in previous projects and thus the community empowerment objective was not achieved.
- The COSOPs set out an ambitious agenda for policy dialogue. There is no evidence of this having taken place. The COSOPs lacked a strategy to achieve this within IFAD's limited role in Jordan.
- The COSOPs also had a very ambitious partnership agenda that was not met, and was not realistic.
- Despite some significant progress on ensuring sustainable access to land and water, and promoting access to credit to help small businesses in rural areas, IFAD failed to achieve its overarching goals of reaching the poor and in accomplishing community empowerment.
- Both COSOPs were over-ambitious and diffused in focus. They do not appear to have taken account lessons from previous operations.

VIII. Overall assessment of the Government-IFAD partnership

321. Table 12 contains the overall assessment of the CPE of the IFAD-Government partnership. It is based on the ratings of portfolio performance, non-lending activities and COSOP performance. The final score is based on an informed and objective judgement of the evaluation team.

Table 12

CPE Overall Assessment Ratings

<i>Assessment</i>	<i>Rating</i>
Portfolio performance	3
Non-lending activities	4
COSOP performance	3
Overall IFAD-Government Performance	3

IX. Conclusions and recommendations

A. Conclusions

322. Based on the findings and the analysis from the evaluation, the main question that derives from the CPE is whether a purposeful partnership between IFAD and the Government of Jordan is feasible - especially under the prevailing country context and IFAD's own strategic objectives -, and if yes, how this partnership should actually be structured. There are a number of points raised by the evaluation both in relation to context, as well as to limited results that would challenge the feasibility of IFAD/Government of Jordan partnership.
323. First, poverty is low, with only 13 per cent of the population currently classified to be poor (a decline from 22 per cent in the 1990s). Moreover, consistent with its upper-middle income status, Jordan is highly urbanized and therefore the bulk of the poor are in the cities. Rural poverty, while larger in proportion (19 per cent) than the overall poverty rate, is small in absolute terms; the total number of poor living in rural areas is close to 0.25 million (approximately one third of the total poor). The rural poor are also difficult to reach, being often scattered in remote and marginal lands. Given IFAD's imperative to maximize the impact of its limited resources on rural poverty, the relatively small number of rural poor in the country can raise questions about the opportunity cost for IFAD in doing business in Jordan.
324. Second, the agriculture sector (in most countries a key driver of development in rural areas) is small in Jordan and offers limited growth opportunities. Agriculture contributes only about 3 per cent of GDP and employment. Severe constraints on land and water – among some of the most severe in the world– limit agricultural potential, particularly in marginal rainfed areas where the rural poor are concentrated. Land fragmentation and absentee owners living in cities (for whom farming is a part-time activity) makes it difficult to develop and implement effective programmes to improve agriculture production. Moreover, despite concerns about high unemployment (variously estimated at 20 per cent or more), agriculture is not the preferred choice of most Jordanians, including the rural poor. Most seek employment in the public sector or in the white collar service sector. These factors point to non-farm employment, or social welfare for the poor who are unable to find employment, being the likely instruments for rural poverty

alleviation⁷³ and not land ownership-based interventions in agriculture that form the major part of IFAD programme.

325. Third, Jordanians have a high reservation wage, thanks to a significant safety net enjoyed by the Jordanian population. Remittances from relatives working in the Gulf provide a private safety net for many families, but there are also several public programmes including various consumption subsidies, access to free or low-cost health and education, and cash transfers to the poor. Significant public investments in health and education over several decades have resulted in social indicators being much better than countries at comparable income level. Consequently, even the poor Jordanians are averse to manual and low wage employment. One evidence of this is the large number of migrant workers from the neighbouring countries working in Jordan, with a large number employed in agriculture.
326. Fourth, Jordan is the recipient of significant aid (average of \$630 million per annum in the last 10 years; and an average of US\$1,200 million in the last three years), including a significant part on grant or highly concessionary terms. The major donors, including USAID, the World Bank, AFESD, and EU, each have a significant presence. This creates a particular challenge for IFAD to be relevant with its limited resources.
327. Fifth, the statutory debt ceiling of 60 per cent of GDP⁷⁴ adopted by the government and the revision of IFAD lending terms to ordinary in 2007 might be relevant issues for IFAD's ability to lend in Jordan. However, in view of the relative small size of IFAD loans to Jordan, they may not constitute an insurmountable constraint.
328. Sixth, IFAD-supported programmes have not achieved the overarching COSOP strategic objective of reaching the poor. Few of the IFAD target groups as defined in the COSOP (families earning less than US\$2 per day) are land owners, or only own more than small plots. Thus, a land-ownership based SWC programme, while important from the point of view of natural resource management and increasing agriculture production, has been inherently unsuitable for reaching the poor. In addition, few poor families in this target group are likely to have the means to invest over 5-7 years in maintaining the trees while waiting to receive the benefits. All evidence points to the beneficiaries of SWC being from the higher-income groups.
329. The credit components also did not reach the intended beneficiaries. ACC, the institution responsible for implementing the component and a long-standing partner of IFAD, has done a commendable job in handling the component efficiently and in ensuring a high rate of recovery (currently over 90 per cent). However, its collateral requirements - land and a payment guarantee from someone with a regular source of income (a salary or pension) - essentially preclude the poor and landless from benefitting from credit. IFAD has known about this issue for almost the entire review period and has made periodic attempts to get ACC to modify its approach. But ACC has largely rejected all such proposals, maintaining that their collateral requirements were an essential part of its business model and critical to its success in the last few years to improve loan collection. A few minor changes in the collateral that IFAD publicized as "innovations" were marginal. Despite the government decision to partner with ACC, the lack of agreement with ACC on this important issue undermined the rationale/effectiveness of IFAD's engagement. IFAD also missed the opportunity to participate in the broader Government efforts on microfinance that have been quite successful.

⁷³ This is in line with the agriculture-for-development agenda proposed for urbanized countries (World Development Report, Agriculture for Development, 2008).

⁷⁴ The Public debt Law establishes debt ceilings of 40 per cent of GDP for internal and external borrowing (but always less than 60 per cent in total).

330. Seventh, community empowerment, one of the pillars of IFAD strategy for rural poverty alleviation, also has so far been mostly unsuccessful. The broader empowerment of communities was expected to have been achieved through intensive community participation in all phases of the project that hopefully would be sustained after the project. However, all projects faced various hurdles – lack of commitment of MOA to the concept, unwillingness to employ an NGO for implementation, absentee farmers, and weak PMU capacity – that did not allow IFAD to implement the concept to any significant attempt. Formation of Water Users Associations, that are considered essential for sustainability, have also proven difficult to form and/or have been ineffective. In recognition of the issue, the most recent project (ARMP-II) has attempted to re-energize the concept of community planning with financing from GEF, and some 48 CAPSs have indeed been formulated. However, there is still a lack of clear understanding about how this approach to planning will be sustained and lead to community empowerment. The evidence so far does not point to IFAD or the Government having devised a workable approach for community empowerment.
331. Eighth, IFAD-supported programme had limited impact on policy and institutional development. The COSOPs proposed a very broad agenda for policy dialogue with the Government that proved unfeasible to pursue. No attempt was made at prioritization nor at making sure that the proposed objectives are backed up by adequate (or any) non-lending support. While IFAD was successful in mobilizing significant grant resources by and large they have not been linked to the COSOP's policy dialogue objectives, and thus did not contribute materially to progress in these areas. As a result, there is no evidence of much progress in any of the areas that were identified. In addition, neither the rangelands project nor the SWC projects have led to the development of a national programme. The rangelands project could not develop a replicable participatory approach model and was not followed. Thus IFAD has had no role in the formulation of the Government's major initiative in this area under its Badia Fund. The SWC projects have remained largely as isolated project interventions and have not had any significant influence on similar programmes implemented by MOA in other areas. It is yet to emerge as a coherent national programme.
332. Moreover, despite IFAD's intentions - particularly through the earlier part of the programme - MOA's capacity remains limited and has not yet defined a clear vision for agriculture and the role it can and should play. The current agricultural strategy is largely a compilation of investments and does not provide a strategic direction for the sector. The institutional instability associated to frequent changes in ministers in MOA partly explains this situation.
333. There are however positive aspects of the IFAD/GOJ partnership as well as accomplishments of IFAD-funded projects which, although not challenging the critical points raised by the CPE, need to be mentioned. IFAD has been a longstanding partner of Jordan in agriculture and rural development in rainfed and semi-arid areas, with a partnership spanning over 30 years. Although IFAD financial contribution has been modest (US\$70 million in loans over 30 years), IFAD enjoys a good relationship with the country in the agricultural and rural development sector, being the only donor that has provided a sustained support for the sector, particularly during the last 15 years. IFAD has also ensured adequate cofinancing in last two projects approved in the country⁷⁵ and provided or mobilized significant grant assistance for research and studies in the sector. As a result, IFAD has been well positioned to assist in rural development in the country.
334. IFAD programme has supported important initiatives consistent with the Government's strategy for agriculture and rural development. IFAD programme over the last 15 years has focused primarily on improving rural incomes through

⁷⁵ Approved in April 1999 and December 2004 respectively.

increased agriculture production (mainly olives and fruit trees) in the marginal lands in arid or semi-arid regions of the country, and on augmenting non-farm income through self-employment. SWC (essential in a chronically water-scarce country subject to erosion and desertification) coupled with extension and production support have been the instruments to increase agriculture production. Provision of credit, supplemented with training, has been the main instrument to support non-farm rural livelihoods. One project (of the total of four projects) was aimed at setting the basis for a national programme in managing the rangelands in the Badias, which is the home and source of livelihood for poor herders and faces environmental challenges. This last initiative however proved largely unsuccessful and did not result in a national programme as had been envisaged.

335. Investment in SWC and enhancing access to credit were generally effective, despite being affected by start-up and implementation delays. They were by and large successful in improving agricultural production and have to-date improved over 12,000 ha of previously un- or under-utilized land, of which an estimated 50 per cent is under improved or new cultivation. The beneficiaries of the credit component - most of which have been women - have started a variety of enterprises that led to home-based production, mostly in food processing. Their incomes have been estimated to have increased by 25-75 per cent per annum. These are important accomplishments of IFAD-funded projects.
336. **In sum**, despite an established partnership and some progress achieved in few areas relevant for the country, the **value added of the IFAD-supported programme towards poverty reduction in Jordan has been limited**. The country programme has been challenged not only by Jordan's context, but also by the fact that it was not guided by a sound strategy supported by an appropriate choice of interventions. The implementation of the two COSOPs in the view of the CPE suffered from being too diffused both across the interventions and within specific projects. There were three distinct types of interventions in the last period: rangelands, SWC in rainfed areas, and microfinance. Each one of these areas would have required a concerted effort both in the initial project and, more importantly, in helping upscale the projects into broader national programmes. In reality, IFAD contributed either to no impact (rangelands and microfinance) or only marginal impact (SWC) over the review period.
337. Moreover, the COSOPs had highly ambitious objectives that were not backed up by an adequate analysis, implementation details, and a commensurate level of resources. The COSOPs lacked a realistic assessment of how best the limited IFAD financial resources can be used to achieve impact on the ground and to catalyse institutional and policy change in the country. IFAD strategy was not tailored to its limited role as a donor and inconsistent with Jordan's status as a MIC. In these circumstances, provision of financial assistance is not the most important aspect of IFAD's strategy in the country. Rather, it must rest on IFAD's ability to be a source of knowledge services in a limited number of areas. Neither the COSOPs nor the implementation experience reflect this.
338. In light of the challenges to devise and implement a strategy for rural poverty alleviation in the country and the overall limited results achieved in terms of rural poverty alleviation it appears clear that a business as usual scenario for the country programme is not an option. Future IFAD/Government of Jordan cooperation, if feasible, will need to carefully consider these issues and both parties will have to face important decisions concerning the partnership.

B. Recommendations

339. The findings and conclusions of the CPE form the basis of a number of recommendations covering options for IFAD's future in Jordan for consideration of IFAD and the Government of Jordan. Founded on context and past achievement, and in view of current allocation of PBAs for 2013-15 (in which no allocation from

IFAD's own resources is foreseen as loans to Jordan) as well as efforts deployed by IFAD to improve country selectivity the CPE recommends option 1 as the preferred one. It is not easy for the CPE to make this suggestion as it is fully aware that this option will have political implications with the GOJ and IFAD. Nonetheless the CPE reckons this would be the more coherent one with the evaluation conclusions. Option 2 proposes a number of recommendations as a less preferred alternative.

Option 1. Disengage from the provision of loans to Jordan

340. In view of the limited potential for rural poverty alleviation in the country (small number of rural poor in and urbanized middle-income country), small scale and limited growth opportunities of rainfed agriculture, and availability of alternative financing sources in the form of grants from other donors, IFAD and the Government of Jordan could agree on disengaging from the current partnership, especially by discontinuing the provision of loans to the country. The need to increase the effectiveness and prioritize the use of IFAD's own limited resources across countries and regions with the aim of maximizing impact on rural poverty alleviation globally would be the main argument underpinning this option.
341. Under this scenario, IFAD could still however remain engaged in the country through two avenues: the mobilization of non-IFAD resources; and through non-lending activities including grant activities. IFAD is currently the implementing agency of two GEF grants in Jordan. One more is in the pipeline. GEF grants are/will be supporting sustainable land and water management, ecosystem management and new irrigation technology. The projects include policy dialogue and institutional development as part of their objectives. While these grants pursue mainly an environmental goal, they contribute through natural resource management to help the broader rural economy and might well indirectly benefit the poor. Thus IFAD could remain engaged in Jordan as an implementing agency for the GEF as its main entry point supporting agriculture resource management. This is clearly an area where IFAD has a comparative advantage and it can build on the past experience, benefiting from lessons from what has worked and what has not. In addition to benefits on the ground, the association with the GEF brings potential opportunities for policy dialogue, particularly in climate change.
342. In addition, IFAD could support Jordan through knowledge products and services, policy advice, analysis, and partnership building in a limited number of areas agreed between IFAD and the Government of Jordan. The positive contribution of IFAD sub-regional and regional grants to agricultural research, knowledge exchange activities within the region, and dialogue between international institutions (e.g. ICARDA, IDRC) and the government merit consideration of further IFAD support to Jordan through these type of services.

Option 2. Renewed lending programme, but with a much sharper and realistic focus and clear poverty orientation

343. The second option would be to continue IFAD lending programme in Jordan, but with a renewed⁷⁶ and much more narrowly focused strategy that has realistic objectives and recognizes both the circumstances of rural poverty and IFAD's limitations as a small donor mentioned earlier.
344. **Much sharper and realistic focus and clear orientation on poverty alleviation.** Given the small size of the country and its higher income level, IFAD's programme for Jordan will continue to be relatively small. Even with additional grants and cofinancing that IFAD may mobilize, the total allocation will still be small compared to the programmes of many other donors. The most obvious issue

⁷⁶ The Aide Memoire of an IFAD mission to the country in May 2011 provides three possible options to the government with the aim of enhancing relevance, respond to desires of target groups and reducing allocations with limited demand and disbursement: i) pro-poor microenterprise development; ii) women's savings and credit groups; iii) value chain development for herbal, medicinal and aromatic plants. At the moment of the evaluation the proposal was not mature enough for the CPE to comment on.

going forward to ensure the most effective use of IFAD resources is to narrow the focus. A future IFAD- Government of Jordan strategy would have to be realistic and based on a rigorous analysis of the feasibility of achieving the promised outcomes and a clear link between the proposed actions and the intended results. It should also lend itself to monitoring. Moreover, contrary to some diverging views,⁷⁷ any future IFAD strategy in the country, including all supporting initiatives should provide a clear rationale for rural poverty alleviation. It should include well-defined targeting criteria including effective mechanisms to reach the poor.

345. **Select one key area of support.** IFAD-Government of Jordan future strategy should concentrate in one area of support. The CPE proposes three potential areas for consideration and further elaboration by IFAD and the Government. One area is pro-poor rural microfinance, as it has not been covered adequately so far in the otherwise very successful (but mostly urban) microfinance initiative in Jordan and contributes to augmenting non-farm income through self-employment. It would require IFAD being a partner in the multi-donor dialogue on microfinance, including mobilizing the necessary expertise to be able to contribute to the process. A serious effort in rural finance could consume the entire IFAD support.
346. Another option would be for IFAD to support poor small livestock keepers, mostly vulnerable herders in the Badia who are faced with significant input costs (free grazing covers at the maximum 3 months per year) and is resulting in the reduction in number of animals in the herd below the viability threshold. IFAD assistance could be provided through the promotion of equitable cooperative organizations combined with access to micro-credit to purchase feed and access services (health, breeding). A third possibility for IFAD would be to support the Government's on-going safety net programme aimed at interrupting the intergenerational transfer of poverty, such as the Pockets of Poverty and the Hakoura programme. This would be most consistent with IFAD's poverty alleviation mandate. It would mean, however, IFAD's support shifting its primary attention away from agriculture and working with a different set of partners (see recommendation on partnerships below).
347. **Focused non-lending services.** Supporting non-lending activities should be at the core of IFAD's programme in a MIC like Jordan, particularly also in view of its access to many other larger sources of aid. Leveraging the limited financial resources to pursue policy dialogue, transfer knowledge and promote partnerships could be a main thrust of IFAD strategy in Jordan. The next strategy should therefore identify the most critical reforms that it would pursue and link these to grants, either from IFAD's own resources or from other donors.
348. Potential areas for policy dialogue include: a) pro-poor rural microfinance aimed at contributing and shaping the current multi-donor dialogue on microfinance, which is focused mostly in urban areas so far; and b) support the government identify effective measures that can reach the poor within its institutional capacity. MOPIC is currently in the process of defining such a strategy with UNDP assistance. IFAD should join this effort.
349. Promotion of new partnerships and strengthening some of the existing ones should also be also a key area of attention of a renewed IFAD-supported programme in Jordan. IFAD should identify institutional partners committed to pro-poor microfinance and have an interest in expanding to rural areas. Moreover, given that - as discussed in the report - the nature of rural poverty in Jordan is such that the solutions are unlikely to be in, or predominantly in, agriculture, IFAD will need to think very differently and diversify its interlocutors in the government beyond the MOA to include MOPIC, MOSD and NGOs.

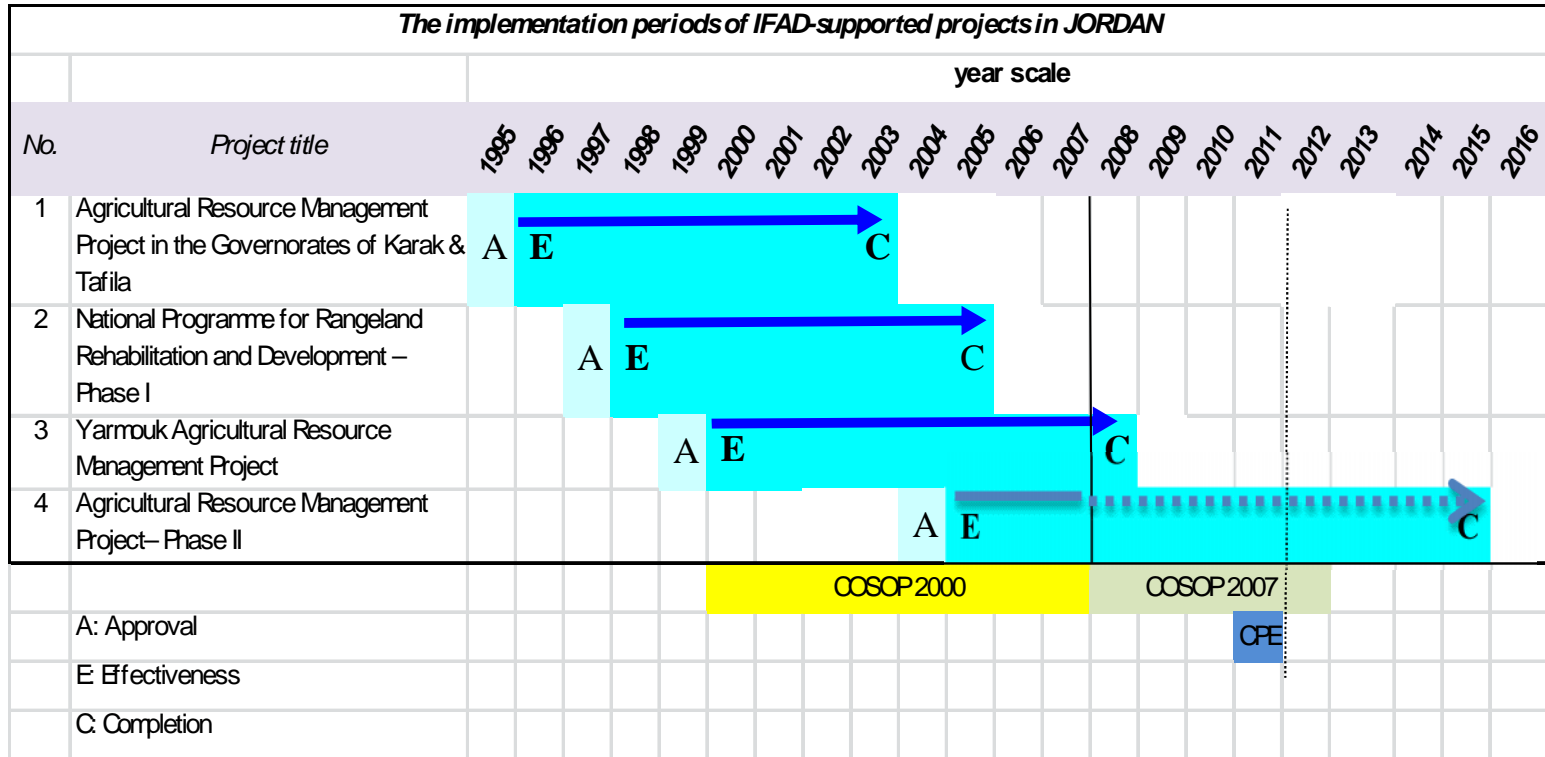
⁷⁷ Comments by the current CPM point that the new IFAD strategic framework focuses on commercial stakeholders, the entrepreneurial youth, and rural women, and consequently this recommendation is outdated.

Summary CPE ratings for the Jordan IFAD-funded Project Portfolio

<i>Portfolio Assessment</i>	<i>NPRRD</i>	<i>ARMP I</i>	<i>YARDP</i>	<i>ARMP II</i>	<i>CPE</i>
Relevance	4	3	4	3	3
Effectiveness	3	4	4	4	4
Efficiency	3	4	4	4	4
Project Performance	3.3	3.7	4	3.7	3.7
Household Income/Assets	2	3	5	3	3
Social capital/empowerment	3	2	3	3	3
Food Security/Agricultural Productivity	n.a	4	4	4	4
Natural Resources/Environment	3	4	4	4	4
Institutions/Policies	3	2	3	2	2
Rural Poverty Impact	3	3	4	3	3
Sustainability	3	4	4	4	4
Innovation/Replication/Scaling up	3	3	3	3	3
Gender	2	3	5	3	3
Overall portfolio achievement	3	4	4	3	3
Performance of IFAD	3	4	4	4	4
Performance of Government	3	4	4	4	4

Rating scale : 1= highly unsatisfactory; 2 = unsatisfactory; 3 = moderately unsatisfactory; 4 = moderately satisfactory; 5 = satisfactory; 6 = highly satisfactory;

IFAD-supported Projects in Jordan



List of IFAD Loans to Jordan

Project Name	Project Type	Total Project Cost US\$ 000	IFAD Approved Financing US\$ 000	Co financier Amount US\$ 000	Counter-part Amount US\$ 000	Board Approval	Loan Effective ness	Current Project Completion Date	Cooperating Institution	Project Status
1. Cooperative Development of Rainfed Agriculture Project	CREDI	27 152	9 785	---	17 367	08 Sept 81	01 Oct 81	31 March 90	AFESD	Closed (7.02.91)
2. Small Farmers Credit Project	CREDI	44 035	12 039	AFESD 8 680	23 316	10 Dec 82	01 Mar 83	30 Jun 92	AFESD	Closed (18.03.93)
3. Income Diversification Project	CREDI	19 685	10 030	AFESD 8 014	1 641	06 April 93	06 July 94	30 Jun 01	AFESD	Closed (11.07.03)
4. Agricultural Resource Management Project in the Governorates of Karak & Tafila	AGRIC	18 517	12 810	---	Government Beneficiaries 2 410 Dom. Fin. Inst. 2 829 468	06 Dec 95	11 Jul 96	30 June 03	AFESD	Closed (10.09.04)
5. National Programme for Rangeland Rehabilitation and Development – Phase I	LIVST	9 048	4 003	---	Government Beneficiaries 4 552 493	04 Dec 97	04 Sept 98	30 Jun 05	AFESD	Closed (08.08.06)
6. Yarmouk Agricultural Resource Management Project	AGRIC	28 255	10 143	UE/Abu Dhabi 5 000 OFID 5 000 AFESD 2 700	Government Beneficiaries 3 455 1 957	29 Apr 99	3 Apr 00	30 June 08	UNOPS	Closed (31.12.09)
7. Agricultural Resource Management Project - Phase II	AGRIC	41 968	11 377	GEF 6 450 OFID 10 273	Government Beneficiaries 1 032 2 436	02 Dec 04	05 May 05	30 June 16	IFAD/IFAD	effective
		188 260	70 187	46 117	71 956					

NEN Regional Country Grants

JORDAN										
<i>Grant N°</i>	<i>Recipient</i>	<i>Benefiting Countries</i>	<i>Programme name</i>	<i>Approval</i>	<i>Effective</i>	<i>Completion</i>	<i>Closing</i>	<i>IFAD (US\$)</i>	<i>STATUS</i>	
729	Jordan	Jordan	Agricultural Resources Management Project II	02/12/2004	05/05/2005	30/06/2013	31/12/2013	208 600	EFFECTIVE	
729A	Jordan	Jordan	Agricultural Resources Management Project II	31/12/2004	05/05/2005	30/06/2013	31/12/2013	208 600	EFFECTIVE	
GEF FSP 6	Jordan	Jordan	Menarid mainstreaming (ARMP II)	30/09/2008	18/05/2009	30/06/2015	31/12/2015	6 445 000	EFFECTIVE	
GEF MSP 25	Jordan	Jordan	Mainstreaming Biodiversity in sylvo-pastoral and rangeland landscapes in the pockets of poverty of Jordan	31/05/2011				1 000 000	EFFECTIVE	
Sub-Total								7 862 200		
JORDAN - SUB-REGION										
258	CARE	Jordan & Syria	Capacity-Building for participatory natural resource management in Jordan and Syria	14/11/2003	08/03/2004	31/12/2010	30/09/2005	100 000	CLOSED	
964	ICARDA	Jordan & Egypt	The Medicinal and Aromatic Plants Project	11/07/2007	09/10/2007	30/04/2010	31/10/2010	200 000	CLOSED	
1189	AIDOS	Syria, Jordan	Fostering & Documenting the economic empowerment of Women in the Rural areas of Syria & Jordan	29/12/2009	08/01/2010	30/09/2011	30/06/2012	200 000	EFFECTIVE	
1191	GM	Jordan, Lebanon	Rural Finance for Sustainable Land Management	22/12/2009	23/12/2009	30/06/2011	31/12/2011	150 000	CLOSED	
1226	ICARDA	Jordan, Lebanon, Morocco	Improved Water Management for Sustainable Mountain agriculture in Jordan, Lebanon & Morocco	07/10/2010	16/12/2010	31/12/2014	30/06/2015	1 000 000	EFFECTIVE	
1240	ICARDA	Iraq & Jordan	Improving Food Security and Climate Change Adaptability of rainfed Barely Farmers in Iraq and Jordan	05/12/2010	07/03/2011	31/03/2014	30/09/2014	1 500 000	EFFECTIVE	
Sub-Total								3 150 000		
NENA										
353	NENARA CA	NENA	Improving Access of the Rural Poor to Financial Services in the Near East-North Africa	05/12/1996	01/06/1997	31/12/2001	30/06/2002	566 000	CLOSED	
385	ICARDA	NENA	Programme for the Development of Integrated Crop-Livestock Production in Low Rainfall Areas of Mashreq and Maghreb – Phase II	04/12/1997	07/09/1998	30/06/2002	30/06/2003	1 500 000	CLOSED	
362	ACSAD	NENA	Participatory Rainfed Agricultural technology Development and Transfer to farmers in the semi-arid areas of NENA	30/04/1997	30/07/1997	30/08/2000	30/08/2000	660 000	CLOSED	
494	WOMEN-NENA	NENA	Programme of Action to assist IFAD projects to reach rural women in Near East and North African countries	03/05/2000	01/04/2001	31/12/2006	30/06/2008	944 000	CLOSED	
579	FAO	NENA	Marine Resources Management Programme in the Red Sea	23/04/2002	21/11/2007	31/12/2012	30/06/2013	1 000 000	EFFECTIVE	
656	IFDC	NENA	Cereal production in the NENA region	10/04/2003	20/02/2004	31/03/2007	30/05/2009	900 000	EFFECTIVE	

666	IDRC	NENA	Programme to Develop a Knowledge Generation and Sharing Network in Near East and North Africa Region (KariaNet phase I)	11/09/2003	30/07/2004	31/12/2008	31/03/2009	1 000 000	CLOSED
690	ICARDA	NENA	Community Based Optimization of the Management of Scarce Water Resources in Agriculture in West Asia and North Africa	19/12/2003	09/08/2004	31/03/2009	30/09/2009	1 000 000	CLOSED
698	ICARDA	NENA	Programme for Developing Sustainable Livelihoods of Agropastoral Communities of West Asia and North Africa (Mashreq/Maghreb - Phase III)	21/04/2004	03/03/2005	30/06/2009	31/12/2009	1 300 000	CLOSED
699	ICBA	NENA	Programme for Saving Freshwater Resources with Salt-Tolerant Forage Production in Marginal Areas of the West Asia and North Africa Region	21/04/2004	08/12/2004	30/06/2009	31/12/2009	1 350 000	CLOSED
708	IDRC	NENA	Regional Water Demand Initiative (WADIMENA 2004-2008)	09/09/2004	18/04/2005	30/06/2010	31/12/2010	1 200 000	CLOSED
801	InWent	NENA	Capacity-Building in Managing for Results and Impact (CaMaRi)	08/09/2005	31/01/2007	31/03/2011	30/09/2011	1 900 000	EFFECTIVE
835	InWent	NENA	Competence Development Programme	30/12/2005	19/06/2006	30/06/2007	31/05/2008		CLOSED
OP 1	FAO	NENA	Marine Resources Management Programme in the Red Sea	13/09/2006	06/03/2009	31/03/2014	30/09/2015	600 000	EFFECTIVE
918	ICARDA	NENA	Commodity Chain Analysis for HMAPs	18/12/2006	02/04/2007	31/03/2009	31/08/2009	200 000	CLOSED
1066	FAO	NENA	Understanding the impact of rising food prices on farming communities in the NENA	02/12/2008	19/02/2009	31/12/2010	30/09/2010	175000	CLOSED
1112	IDRC	NENA	Knowledge Generation and Sharing Network in the NENA Region, Phase II	30/04/2009	26/10/2009	30/06/2013	31/12/2013	1 500 000	EFFECTIVE
GEF MSP 20	ICARDA	NENA	Cross-cutting M&E functions and KM for INRM within the MENARID programme framework	12/11/2009	18/05/2010	30/06/2014	31/12/2014	667 000	EFFECTIVE
1176	ICBA	Asia, N. Africa	Programme for Adaption to Climate Change in Marginal Environments in W. Asia & N. Africa through Sustainable Crop Livestock diversification	17/12/2009	25/02/2010	31/03/2014	30/09/2014	1 400 000	EFFECTIVE
1215	NENARA CA	NENA	Organisation of the 3rd World Congress in Rural Finance by the 5 regional RACAS, Marrakesh Morocco 28-30 Oct 2010	03/09/2010	15/10/2010	30/04/2011	31/01/2012	60 000	CLOSED
								Sub-Total	17 922 000
								TOTAL	28 934 200

Approach paper

I. Background

1. As decided by the Executive Board in its 98th session in December 2010, the IFAD Office of Evaluation (IOE) will undertake in 2011 a CPE of the IFAD-Government of Jordan cooperation. This is the first CPE undertaken by IOE in Jordan since the beginning of IFAD operations in the country in 1981. CPEs are normally conducted prior to the preparation of a new IFAD-Government cooperation strategy for the concerned country.¹
2. The Jordan CPE will be conducted within the overall provisions contained in the IFAD Evaluation Policy² and follow IOE's methodology and processes for CPEs, as stipulated in the IOE evaluation manual.³ The previous IOE evaluations of IFAD operations in Jordan as shown in Table 1 –will provide valuable evaluative evidence for the planned CPE.

Annex 4 - Table 1

Previous IOE Evaluations Relating to IFAD Operations in Jordan

<i>Evaluation Type</i>	<i>Evaluations</i>
Project evaluations	Mid-term Review (MTR) –Agricultural Resource Management Project (2001)
	Interim Evaluation. Agricultural Resource Management Project (2004)
	Project Performance Appraisal (PPA) - Yarmouk Agricultural Resources Development Project (2010)
	Project Performance Appraisal (PPA) – National Programme for Rangeland rehabilitation and development (2011)
Corporate level evaluations including Jordan	Supervision Modalities in IFAD Supported Project (2004)
	IFAD Supervision Pilot Programme (2005)
	IFAD's Rural Finance Policy (2007)
	IFAD Field Presence Pilot Programme (2007)
	IFAD's Regional Strategy for NENA (July 2008)
	IFAD's Capacity to Promote Innovation and Scaling Up (June 2010)

II. Country Context

3. Jordan is a small middle-income country with narrow natural resource base, water scarcity, small domestic market and a predominantly young population. Its main sources of earnings are potash, tourism and remittances.
4. Jordan sits geographically in the centre of the Middle East. It has a land area of 88,200 km², with mountains in the highlands of the north and west; vast eastern and southern semi-deserts; and the Jordan Rift Valley in the west. A narrow coastline stretches on the tip of the Red Sea.
5. Jordan has a **population** of 6 million inhabitants (2010).⁴ It is expected to nearly double (10.2 million by 2050) as a consequence of high population growth rate of

¹ IFAD's country strategy document is the COSOP, the results-based COSOP.

² Approved by the Fund's Executive Board in April 2003, see document EB2003/78/R.17/Rev. 1. Also available from the IFAD internet site: <http://www.ifad.org/evaluation/policy/index.htm>.

³ Available from the IFAD Internet site: <http://www.ifad.org/gbdocs/eb/ec/e/informal/e/EC-2008-54-W-P-2.pdf>.

⁴ UNFPA. State of the World Population 2010.

3.0 per cent per year. Fertility rate (3.5 births per women) is one of the highest in the region. Approximately 1.7 million registered Palestinian refugees and other displaced persons live in Jordan. The Iraqi war caused a new and massive influx of refugees of another 0.7 million in 2004-2006.⁵ The large majority of the population lives in urban areas. Rural population represents 22 per cent of the total population (2009).

6. The percentage of Jordanians living below the poverty line⁶ has improved significantly over the last decade, from 21.3 per cent in 1997 to 13.3 per cent in 2008 based on latest poverty estimates.⁷ A total of 32 of poverty pockets (areas where the poor constitute 25 per cent or more of the population) have been identified in the country (increased from 22 in 2006). Inequality remains high (the Gini coefficient was 37.7 in 2006). The income share held of the richest 20 per cent amount to 45 per cent of total income while the poorest 20 per cent hold 7 per cent of total income.
7. Poverty is higher among the **rural population** (18.7 per cent) compared to the urban residents (12.9 per cent). The rural poor account for around 25 per cent of the total poor. The pockets of poverty are mostly rural – some are in isolated and remote areas while others are merely in areas with a poor resource base and low population density. There are three main groups of rural poor households, each with a different livelihood strategy: (i) current or former nomads, who keep livestock; (ii) smallholder farm households, who in the past relied on mixed farming, but today have only a few livestock and derive most of their income from cereal cropping; and (iii) the landless rural poor, who essentially rely on wage labour and on pensions and remittances.
8. Jordan has achieved impressive **human development results** and is on track to achieve most of its MDG goals. The country has intensified its efforts to make human development a national priority. Between 1997 and 2007, Jordan's Human Development Index (HDI) rose from 0.715 to 0.760. Currently it is ranked in the group of countries with high human development (HDI ranking 82 among 182 countries) and one the best performance countries of the region in terms of life expectancy, (71.6). Other satisfactory indicators include child mortality (2.7 per cent) and maternal mortality (0.04 per cent) combined with good levels of primary and secondary school enrolment (79 per cent) and literacy (96 per cent). Despite these achievements, however, significant regional disparities in human development remain. Unemployment, especially among the youth, is a major concern.
9. The Constitution guarantees equality of rights and opportunities, and women's rights have emerged as a major issue in Jordan over the past decade – enjoying high-profile support from both King Abdullah and Queen Rania. Despite important advances, female participation in political and economic life remains low. Women's share in economic activity is only 21 per cent of the economically active population and their representation in parliament and government stands at 7.9 per cent and 10.7 per cent respectively.

⁵ UNHCR estimate.

⁶ The poverty line, based on 2008 figures, was JD57 per person per month and JD3,876 per household (5.7 people). That is, in order for one to consume a certain number of calories and meet basic needs, the household has to have an income of JD3,876 per year, or JD323 per month. Note that a family that is provided for by one working person who is making less than JD323 per month will be considered poor.

⁷ Jordan Poverty Report. January 20011. Department of Statistics - based on the Household Income and Expenditures Survey of 2008.

10. Jordan is classified as a lower middle income country according to the WB⁸ classification based on GNI per capita. Latest data available on GNI per capita for Jordan is US\$3,980 in 2009.

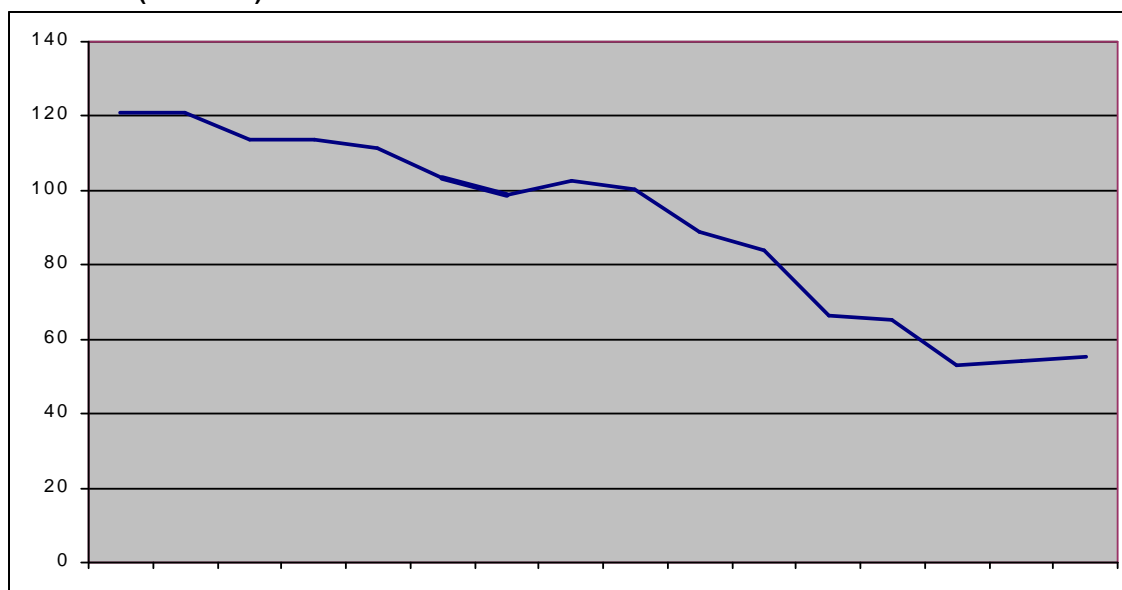
The Economy

11. Jordan suffers from an overall lack of **natural resources**. Unlike many of the states in the region Jordan has no oil of its own. Its resources are limited to phosphates and agricultural produce. The economy depends largely on services (64 per cent of GDP). Industry contributes 34 per cent to GDP and Agriculture 4 per cent. Tourism and foreign aid (see section on official development assistance [ODA]) are important sources of income. Jordan prides itself on its health service, one of the best in the region.
12. As an importer of oil, its fiscal and external accounts are subject to the vagaries of the oil market. As sources of revenue are limited, the Government relies heavily on inflows of foreign grants, and a structural trade deficit is only partly offset by workers remittances (see below). Consequently, Jordan has recorded **fiscal deficits** for a number of years, and the current account only records a surplus in years of low oil prices. As oil prices are forecast to remain high in the near future, the current account is unlikely to be in surplus soon.
13. Notwithstanding the difficult regional political environment and the lack of resources, Jordan has achieved above-average development outcomes within its income group in the last decade. Underpinned by its strong trade links with the region, Jordan's economy has shown strong performance since 2000 with annual real GDP growth averaging around 7 per cent and per capita GDP more than doubling.
14. Under pressure from the International Monetary Fund and the World Bank, Jordan has made efforts to reduce the state's economic influence and boost the private sector. However, the state remains dominant and Government services are still one of the largest single contributors to GDP, accounting for 17.6 per cent in 2006.
15. Jordan's **economic policy** over the past 15 years has been largely dictated by the need to re-establish fiscal and monetary stability in the wake of the 1988-1989 debt crisis, and it only formally graduated from direct IMF tutelage in mid-2004. Heavy external borrowing, coupled with major currency devaluation triggered the **debt crisis**, with the Government unable to meet its commitments. The situation has improved (see Figure 1 on evolution of public debt as percentage of GDP) due to a comprehensive debt-rescheduling arrangement with the IMF and a stabilization programme and World Bank structural adjustment programmes. On the other hand the budget deficit has lately risen again to 5.6 per cent of GDP in 2008 putting it well above the Government target of 3 per cent.⁹
16. Over the last 10 years, Jordan has been very active in **reforming its economy**. It ranks as one of the best reformers compared to other middle-income countries. Despite the progress made, Jordan still confronts several challenges, including those that did arise from the recent global economic slowdown. Challenges include vulnerability to fluctuations in the international oil market - due to the country's high energy import dependency -; high unemployment and dependency on remittances from Gulf economies; and increasing pressure on natural resources, especially water. The greatest challenge (and also the largest opportunity) remains the necessity to create adequate conditions for increased private investment and improved competitiveness.

⁸ The World Bank classifies member countries according to the value of GNI per capita calculated with the World Bank atlas method. Low income countries are those with a GNI per capita of less than US\$975.

⁹ Economist Intelligence Unit, Country Report Jordan, 2008.

Annex 4 - Figure 1
Public Debt (% of GDP). Jordan



Source: Ministry of Finance. Public Debt Bulletins.

17. **Workers' remittances** represent an important source of income for the Jordan economy - ranging between 15 a 25 per cent of GDP in the period 1995-2009. Remittances received by Jordan in 2009 totalled US\$3.5 billion.

Agriculture

18. Approximately 242,000 hectares (ha), or 2.7 per cent, of Jordan's land area is arable. A total of 75,000 ha are irrigated and 157,000 ha are dedicated to permanent crops. Pastures occupy 791,000 ha. Agriculture is primarily practised in two distinct agro-climatic regions: (i) the predominantly rainfed highlands, which produce mainly wheat, barley and some pulses, in addition to olives, grapes, almonds and other stone fruits; and (ii) the more intensive, irrigated farms in the Jordan Valley and southern Ghors, which produce fruits and vegetables for the local market and export. Livestock-keeping, mainly of sheep and goats, is an important activity in the rainfed, semi-desert areas (the Badia) despite a fall in numbers of some 30 per cent.
19. The agricultural sector, contributes 2.9 per cent to GDP in Jordan¹⁰ employs around half a million people, and generates 14.5 per cent of total country exports. Agriculture imports are almost three to one in respect to exports (imports: US\$1.379 billion to exports: US\$563 million). The sector absorbs 65 per cent of total water use.
20. Consecutive years of drought from 1998-2001 highlighted the vulnerability of much of Jordan's agriculture, although better rains in subsequent winter seasons have lifted the immediate danger and replenished dry aquifers. Wheat is the main crop, with barley and some lentils and chickpeas also grown. Produce is consumed domestically, but does not come anywhere near satisfying demand. Although demand for wheat has soared to about 650,000 tonnes annually, average annual production has ranged from 30,000-70,000 tonnes.
21. Structural adjustments have transformed the food sector – from food subsidies and price and import control policies in the 1970s and 1980s to a gradual liberalization and the removal of food subsidies by the 1990s – contributing to lower revenues and higher production costs for the sector.

¹⁰ The share of agriculture in GDP has been declining steadily, from 5 per cent in the mid-1990s to 2.9 per cent in 2009.

22. The staple produce of the Jordan Valley comprises tomatoes, cucumbers, citrus fruit and bananas. Melons, aubergines, cauliflower, cabbages and grapes are also widely grown. Capital-intensive fruit and vegetable production in the Jordan Valley has benefited from a recovery in demand from the Gulf States and some improvement in demand from Western Europe, but rain-dependent upland cereal production is always volatile.¹¹
23. **Food security** - particularly worsening trends in relation to food prices, water scarcity and climate change - is of paramount importance to Jordan's agriculture sector and its smallholder farmers. FAO has identified Jordan as one of the 7 most vulnerable countries to impact of high food prices. Jordan imports around 90 per cent of its cereal requirements and 80 per cent of its animal fodder requirements. Jordan's self-sufficiency in meat and dairy products amounts to 68 per cent.
24. **Water Scarcity:** With an annual renewable fresh water supply of only 150 m³ per capita in 2005, Jordan is the fourth water-poorest country (in per capita terms) in the world, limiting the possibilities for its agriculture sector (the largest consumer of water in the country).
25. The future of irrigated agriculture in Jordan is severely constrained by water scarcity. With current trends and policies unchanged, Jordan non-renewable groundwater reserves will be exhausted in 50 years.¹² By then, the country will have to depend exclusively on renewable water resources. Therefore, water demand management is an urgent policy option for Jordan.
26. Although agriculture remains a critical livelihood for the rural poor, they have reduced their dependence on it, in part due to chronic water shortages and, with the drop in fodder subsidies and deteriorating natural resources, fewer livestock holdings. As coping strategies, poor rural households may use children as family labour when necessary rather than hire outside labour; poor women may work in casual daily labour on large farms; households rely on domestic gardens for family consumption; they re-use goods and clothes; and they borrow mainly from their relatives and within their tribal group when possible. Exchange of labour and mutual assistance can be considered another form of "borrowing", frequently used as a coping strategy. Migration to peri-urban and urban areas, in search of alternative sources of income, is a primary coping strategy, especially for rural young people and particularly in communities with limited public service provision.
27. The 2008 World Development Report classifies countries based on the share of aggregate growth originating in the agriculture and the share of rural poverty to total poverty. Jordan is classified as an urbanized country with rural poor accounting for around 25 per cent of the total poor and agriculture contributing only minimally to growth (agriculture has grown 0.1 per cent in the period 1990-2005 and it only represents 2.8 per cent of GDP in Jordan).

Institutional and political framework

28. Administratively, Jordan is divided into 12 governorates, each headed by a governor appointed by the king. The Governorates are divided into 52 departments.
29. Jordan's poverty reduction strategy is captured in **four key documents**, namely: (i) the National Agenda and the Kuluna Al Urdun (We are All Jordan) document, 2006-2015; (ii) the Jordan Poverty Alleviation Strategy; (iii) the National Strategy for Microfinance; and (iv) the NSAD, 2002-2010.
30. The Government's NSAD sets out three main thrusts to support and develop rural areas in the highlands, the Jordanian Badia and the Ghor: i) achieving sustainable agricultural development; ii) achieving food security and reducing poverty in rural

¹¹ Economic Intelligence Unit, Country report Jordan, 2008.

¹² Jordan Country Profile. Johannesburg Summit. United Nations 2002.

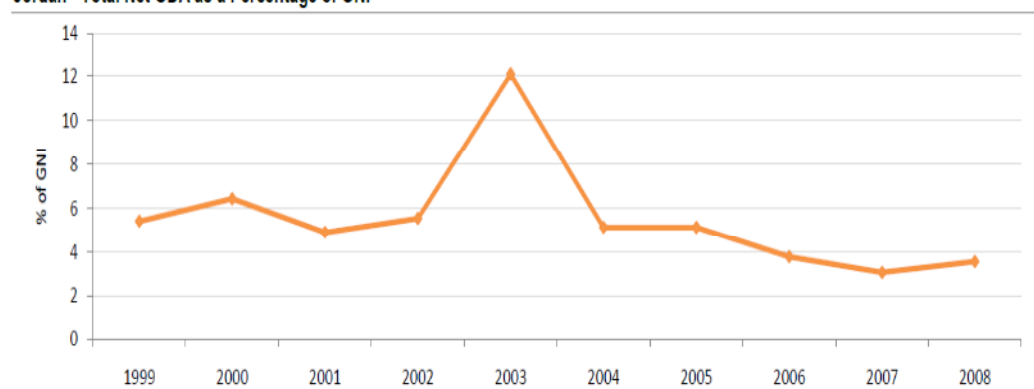
areas through the optimum use of natural resources such as soil and water; and iii) providing rural financial and marketing services to farming households. It seeks to promote the application of advanced technologies, develop innovative rural finance delivery mechanisms, promote linkages between crop and animal production, promote agricultural processing and marketing, ensure food safety and improve food security. The Government has declared 2009 as the Year of Agriculture as in indication of its concern with availability of food and water in view of a growing population, combined with the challenges of global prices and climate change.

31. Jordan has ensured consistent levels of **spending - more than 25 per cent of GDP - on human development** (education, health, pensions, and social safety nets). The Government's recently approved Executive Development Programme for 2011-2013 places significant emphasis on local development and poverty reduction. Measures to support the poor include provision of cash payments to low-income earners, school meals, expanding its programme to fortify flour with extra minerals and vitamins; opening up housing projects to wider swathes of the population; and supplying free winter coats to primary school children. In the agriculture sector it prioritises household food security, water harvesting and employment generation.
32. MOPIC coordinates the Government's socio-economic policies, programmes and priorities, and enhances international cooperation aimed at addressing Jordan's priorities. It maintains regular channels with the United Nations and international agency programmes to bring greater coherence to development assistance operations and enhance their impact and effectiveness. The UNDP, USAID and the European Commission support the Ministry's Aid Coordination Unit (ACU) to enable it to play its role more effectively with respect to donors. A Donor and Lenders Consultation Group (with a rotating chairmanship and UNDP as secretariat) complement the ACU.
33. The lead agency within the agriculture and rangelands development sector is MOA. It plays an important role in addressing the needs of the rural poor in both the highlands and the Jordanian Badia. Agencies closely related to MOA include the NCARTT and the ACC. Three other ministries are considered relevant to the rural poor: MOWI; the Ministry of Environment; and MOSD.
34. **Official Development Assistance.** Jordan is among the most assisted countries in the world. Net ODA received for the last ten years averaged circa US\$630 million per year, equivalent to an average of 5.4 per cent of GNI for the same period. The amount of net ODA per capita received was US\$121 on average for the period 1998-2008,¹³ double than the US\$55 received on average by low and middle income countries in the MENA region and more than ten times the amount received on average by lower middle income countries worldwide (US\$9) in 2010.¹⁴

¹³ World Development Indicators Database; data.worldbank.org/

¹⁴ World Development Report 2010.

Annex 4 - Figure 2
Official Development Assistance to Jordan 1999-2008
 Jordan - Total Net ODA as a Percentage of GNI



35. The lion share of ODA (circa 80 per cent on average for last ten years) was received in the form of grants from bilateral donors. The largest donor to Jordan is the US (54 per cent of total ODA).
36. A total of 9.8 million per year average (2002-2008 period) has been allocated to **agriculture** including forestry and fishery. It has decreased drastically from US\$29.2 million in 2000 to US\$14.8 million in 2001 to 0.4 in 2006. In 2007, there was an increase in the commitment to US\$4.8 million. The US is also the biggest contributor for the agricultural sector followed by France, Germany and Japan. IFAD is the only multilateral agency which has been active in the agricultural sector during the past 10 years with a commitment of about US\$18 million during this period.'

III. Overview of IFAD's Operations and Evolution of the Country Strategy

A Snapshot of IFAD Operations in Jordan

First IFAD loan-funded project	1981
Total loans-funded projects approved	7
Total amount of IFAD lending	US\$70.5 million
Counterpart funding (Government of Jordan & Beneficiaries)	US\$71.9 million
Cofinancing amount	US\$46.1 million
Total portfolio cost	US\$188.6 million
Lending terms	Intermediate [Ordinary since 2007]
Focus of operations	Agriculture and Natural Resource Management, Infrastructure, Rural Financial Services, Community Development
Cofinancers	AFESD, OFID, GEF, UE/Abu Dhabi
Number of ongoing projects	1
Total country grant amount	US\$6.8 million
Total regional grants benefiting Jordan	US\$20.3 million (US\$9.4 IFAD; US\$10.8 cofinancing)
Responsible IFAD division for operations	Near East, North Africa and Europe
COSOP	2000, 2007
Country Office in Jordan	No
Country programme managers (CPMs) since 1995	4
Current CPM	Responsible since February 2011
Principle Government interlocutor	MOPIC

37. **IFAD-funded operations in Jordan** include both loans for programmes, grants and non-lending activities, including knowledge management, policy dialogue and

partnership building – which are often financed through grants. The largest part of the operations consists of loan-funded development projects. At the time of CPE launching, IFAD had financed 7 projects in Jordan since 1981 for a total project cost of US\$188.6 million. Out of this, IFAD provided US\$70.5 million, which represents 3.9 per cent of regional financing and 0.6 per cent of total IFAD financing. A total of US\$46.1 million were provided by cofinanciers and about US\$71.9 million was the counterpart contribution (both from Government and beneficiaries).¹⁵ A total of US\$6.8 million has been provided in the form of country grants for Jordan, out of which US\$6.4 million correspond to a GEF which complements the ongoing ARMP II project Jordan also benefits from several regional grants (total US\$20.3 million) dedicated to support inter alia knowledge sharing, capacity building and to support specific activities or component in the context of loan-funded operations.

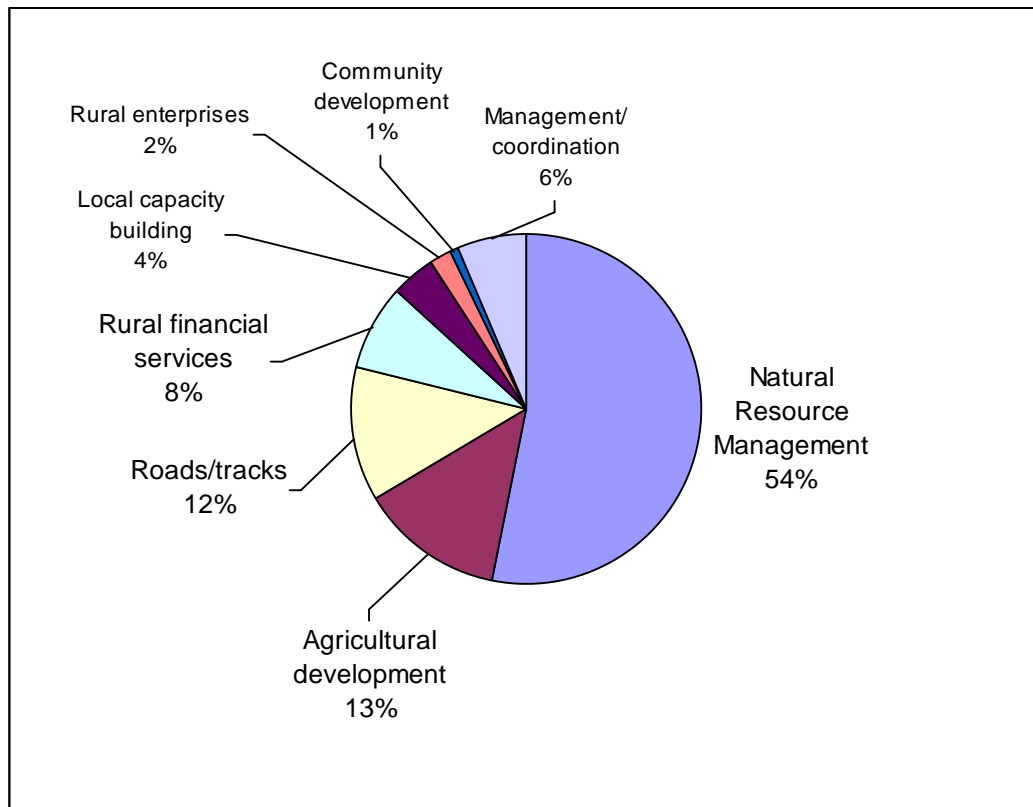
38. The last project funded by IFAD in Jordan was approved by the Executive Board in December 2004. In 2009, following the request of Jordan's Governor (Minister for Planning and International Cooperation) at the 32nd Governing Council, IFAD prepared a National Programme for Improving Food Security. The Government was unable to conclude this collaboration apparently due to Jordan's public finances law which limits public debt to 60 per cent of GDP.¹⁶ No new loans have been provisioned for Jordan in the current replenishment/Performance Based Allocation System (PBAS) programme of work.
39. At present, in recognition of Jordan's borrowing constraints, IFAD is seeking to mobilise additional grant funding, addressing climate change and livelihood diversification. IFAD has recently approved two regional grants (one with ICARDA and the other with the International Biosaline Center) that aim to develop improved water management solutions for sustainable agriculture in Jordan. IFAD is also reviewing one large regional grant on improved livestock/barley integration in Jordan to address water scarcity and climate change. The ICARDA proposed programme would focus on conservation agriculture and climate change adaptation in Jordan.
40. One GEF grant (US\$6.4 million) complements the ongoing ARMP II project and other two GEF grants are under preparation. They will focus on (1) testing and up-scaling new irrigation technologies for using marginal or saline water for agriculture (US\$1.5 million); and (2) enhancing biodiversity in silvo-pastoral areas (US\$2 million). These grants are unique in that they are stand-alone and do not cofinance IFAD loan-funded projects.
41. At the time of preparation of this Approach Paper, out of the 7 projects financed by IFAD in Jordan, 6 are closed, and one is ongoing. The table in Section III provides a snapshot of IFAD operations in Jordan.
42. The following **cofinanciers** have participated in IFAD-financed projects in Jordan: AFESD, OFID the Abu Dhabi Fund and GEF.
43. **Supervision** was entrusted to AFESD in 5 out of the 7 projects supported by IFAD in Jordan. One project (Yarmouk Agricultural resource management Project) was supervised by UNOPS and the more recent project (ARMP II) is directly supervised by IFAD. There is no country presence in Jordan. The country team working on Jordan includes a CPM and a Programme Assistant. They are not devoted full-time on the Jordan portfolio as they have other country responsibilities. Both are based in Rome.
44. Per component (Figure 3) the lion share of the portfolio supported by IFAD in Jordan over the last 15 years is concentrated in natural resource management (54

¹⁵ All figures are calculated based on the current financing amount.

¹⁶ The Public debt Law establishes debt ceilings of 40 per cent of GDP for internal and external borrowing (but always less than 60 per cent in total).

per cent of funds approved), mainly SWC. The second component in order of importance is agricultural development (technology development and technology transfer, fruit trees/orchards) followed by roads/traces and rural financial services.

Annex 4 - Figure 3
IFAD-supported Programme in Jordan
Investment per Component Type



Source: IOE according to data available in PPMS

45. In the 2007-2009 cycle of the **PBAS**, the level of funding allocated to Jordan was US\$7.3 million. For the 2010-2012 cycle no PBAS funds were allocated to Jordan. IFAD loans to Jordan were provided on intermediate terms.¹⁷ Lending terms for Jordan were revised to ordinary since 2007 and will apply to future loans.
46. The Government's **coordinating Ministry** for IFAD in Jordan is MOPIC. The lead executing agency for IFAD-funded operations has been MOA - currently responsible for one project -. The Income Diversification Projects was co-executed by MOA and the ACC.

Evolution of IFAD Country Strategy

47. IFAD interventions in Jordan have gone through two generations of projects: the first three ending with the Income Diversification project represent a first generation where poverty was basically addressed through increasing access to capital, mostly for on farm activities with very strong emphasis given to institutional credit through the ACC. Coverage was to a great extent relegated to the western part of the country. The subsequent four projects (starting with the ARMP approved in 1995) represent a second generation where poverty was addressed through natural resource management (SWC and rangelands management) and coverage extended to more marginal areas/rangelands to the east and to the south of the country.

¹⁷ IFAD lends on highly concessional, intermediary or ordinary terms. Ordinary terms are close to market rates and usually apply to middle-income countries.

48. The first IFAD's COSOP was prepared in 2000 and aimed at supporting the Government's efforts in improving the social and economic wellbeing of the rural poor households. The 2000 COSOP states IFAD's assistance would help project beneficiaries make more profitable and sustainable utilization of their private or common land and water resources by improving their access to credit, management skills, appropriate technology and marketing. The COSOP confirmed the design of IFAD projects approved up to 2000 supporting rainfed development as satisfactory with no significant changes required. The COSOP recommends IFAD to continue its focus on rainfed development both in the relatively high rainfall areas and in the rangelands. The 2000 COSOP focus on three inter-related areas of concentration: (i) institutional building for good governance with special emphasis on the public institutions providing support to the rural sector; (ii) poverty reduction, with special emphasis on social and economic empowerment of the rural poor, including women; and (iii) protection of the environment, with special emphasis on conservation of natural resources, soil, water and rangelands.
49. The most recent COSOP for Jordan formulated by IFAD and the Government was finalized in December 2007 under the new Results-Based COSOP guidelines. The 2007 COSOP intends to respond to the changes in the Jordan socio-economic and development environment and to take into consideration new poverty reduction strategy documents prepared by the Government after the previous 2000 COSOP (see section on Institutional and political framework). The COSOP mentions that IFAD is recognized by the Government of Jordan as "the leader in participatory rural and area development in the country and wishes it to continue to delivery assistance in this field".¹⁸
50. The COSOP defines three strategic objectives in line with IFAD's comparative advantages in Jordan: i) improved access to markets, rural finance and technical advisory services for poor rural women and men, which seeks to enable the rural poor to enhance and diversify their on-and off-farm income-earning opportunities; ii) improved and sustainable access to land and water resources for poor rural women and men, focusing on the need for an integrated approach to natural resource management and addressing the issues of water containment and watershed management, water harvesting, spring rehabilitation, water-use efficiency, land-use planning, highland and rangeland rehabilitation, and land usufruct arrangements; and iii) strengthening the capacities of rural poor and their organizations, focused on improving the capabilities of community organizations to respond to the needs of the poor and manage local resources.
51. Investments would focus on areas with high rates of rural poverty and active farming communities. Project areas would be selected in different ecological zones in order to capture lessons for poverty reduction that are relevant and replicable in rural poverty zones nationwide. Gender is addressed throughout the COSOP as a cross-cutting issue. Women are specifically mentioned in two of the strategic objectives, climate change is addressed through adaptation measures, including strengthening of resilience of the target group through diversification of livelihoods and rehabilitation of land and water resources.
52. No new IFAD investments in Jordan have been approved under the 2007 COSOP. A MTR of IFAD's COSOP for Jordan was carried out recently (not yet released) with the objective of (i) re-examining with Government the relevance of the strategic objectives against Government's recently approved Executive Development Programme and (i MTR i) report on achievement of objectives to date.
53. An IFAD mission visited Jordan in March 2011. As indicated by the mission's Aide Memoire its objective was "to undertake the hand-over of country programme management responsibilities, review the status of collaboration between IFAD and

¹⁸ See IFAD (2007), paragraph. 36.

the Government, and assess potential new directions for future collaboration". The same document indicates that "the mission engaged in discussions with MOPIC, MOF and MOA regarding potential IFAD support for the Government's key emerging priorities, particularly those related to: (i) rural economic growth in support of income generation for disadvantaged households; (ii) development of micro, small and medium enterprises in support of rural job creation; (iii) value chain upgrading and certification systems (GAP, HACCP, ISO) for viable agricultural and non-farm commodities with domestic/export market growth potential; (iv) a private sector-led approach to rural development; (v) refinement of the associated policy and investment promotion framework. IFAD is investing in similar areas elsewhere in the region, and has accumulated relevant experiences which may be adapted to the specific Jordanian context in consultation with stakeholders."

IV. Evaluation Objectives, Methodology and Process

54. **Objectives.** The CPE will have two main objectives: (i) assess the performance and impact of IFAD operations; and (ii) generate a series of findings and recommendations that will serve as inputs for the definition of the future directions for the IFAD-Government cooperation in Jordan
55. **Methodology.** The objectives of the CPE will be achieved by assessing the performance of three mutually reinforcing pillars in the IFAD-Government partnership: (i) project portfolio; (ii) non-lending activities (knowledge management, policy dialogue and partnership building); and (iii) the COSOP. The performance in each of these areas will be rated on a scale of 1 to 6 (with 1 being the lowest score, and 6 the highest). While these will be viewed individually, the synergies between the components will also be looked at, for example, to what extent IFAD's knowledge management activities supported its project activities and whether – taken together – they reflected the approach outlined in the COSOP. Based on this assessment and the aforementioned three ratings, the CPE will generate an overall achievement rating for the IFAD-Government partnership. The sections below provide further details of how each of the assessments will be conducted by the CPE. The evaluation framework describes the main questions the CPE will answer, including the sources of data and information that will be tapped to generate the required responses.
56. With regard to assessing the performance of the project portfolio, IOE will apply its standard evaluation methodology for the projects included as part of the CPE cohort (see coverage and scope below). This includes using the internationally-recognized evaluation criteria of:
 - **Relevance:** were the project's objectives consistent with the relevant Jordan COSOPs and the Government's main policies for agriculture and rural development, as well as the needs of the poor. In addition, under relevance, for each project the evaluation will assess whether an adequate strategy was chosen to achieve project objectives.
 - **Effectiveness:** under this criterion the evaluation will assess whether projects have achieved their development objectives and will attempt to explain which factors account for the results in terms of effectiveness.
 - **Efficiency:** the aim will be to assess how economically were inputs converted into outputs/results. For example, the evaluation will assess the costs of constructing one kilometre of roads/tracks, and compare the same with average costs incurred by the Government or other donors.
 - **Rural poverty impact:** complementing the analysis of project effectiveness, the CPE will address five domains on which IFAD-funded projects are likely to have an impact: household income and assets, human and social capital and empowerment, food security and agricultural productivity, natural resources and the environment, including climate change, and institutions and policies.

The impact assessment will not include randomised control trials or similar techniques given time and financial constraints.

- **Sustainability:** are the benefits of the project likely to continue after the closing date and completion of IFAD assistance? Among other issues, the CPE will assess the degree of ownership and commitment from the communities supported as well as arrangements made (e.g. link to local government institutions) to ensure the maintenance of project-funded community investments.
 - **Innovations/replication/scaling up:** did the project contain innovative features; is it replicable and, if so, what efforts have been undertaken to replicate it; can it be scaled up and if so, are there plans to do this and by whom.
 - **Gender equality and women empowerment:** will assess whether gender considerations were included in all projects; the relevance of the approach taken in view of women needs and country context; and the specific results in terms of *inter alia* women's workload, skills, income, better access to resources, and income.
 - **Performance of partners** will entail evaluating the performance of IFAD, the Government, and the cooperating institutions, Among other issues, the evaluation will assess the efforts made by the Government (in particular MOPIC, MOA and MOF) and IFAD in ensuring continuity and quality of project staff, as well as the selection process for determining the key implementing partners such as NGOs and others.
57. "In addition to the above criteria, **special attention** will be devoted to assessing and reporting on the following strategic issues which are particular relevant in Jordan: (i) IFAD's role and strategy in the context of a LMI with existing extensive social programmes, significant inflows of foreign aid on grant terms, a limited agricultural resource base and persistently high rates of youth unemployment; (ii) opportunities for private sector-led rural development; (iii) the relation between rural poverty alleviation efforts and natural resource management, particularly where such efforts rely on pro-poor agricultural development in areas suffering severe water shortages; and (iv) underlying reasons for non-utilization of PBAS resources in light of Government's fiscal challenges. Moreover the CPE will assess: (i) the extent to which IFAD interventions have focused in poorer regions, and within them whether appropriate mechanisms were in place to ensure that benefits were appropriated by the target population; (ii) promotion of access to markets, particularly in more remote areas: (iii) support to alternative, high-value crops; (iv) service delivery through support to providers, through Government, but also partnerships with private sector and NGOs; (v) modalities to enhance access to rural financial services, either through ACC or alternative innovative financing mechanisms; and (vi) opportunities and challenges in relation to participatory planning mechanisms for natural results management, including integrated catchments/watershed management. Above all, the CPE will try to identify lessons learned from the past 10 years of IFAD's cooperation with the Government of Jordan which could be valuable for discussions regarding future directions for IFAD-Government cooperation."
58. **Approach.** The evaluation will combine desk review of existing documentation (IFAD project documents, data and information generated by the projects, Government documentation) with interviews with relevant stakeholders in IFAD and in the country, and direct observation of activities in the field. For the field work, a combination of methods will be used: i) focus group discussions (especially farmers, women associations, water user associations, etc.) with a set of questions for project user groups and linkages with other projects in the area; ii) Government stakeholders meetings – national, governorate, including project staff; iii) random

sample household visits using a pre-agreed set of questions to adult members of the household, to obtain indications of levels of project participation and impact; iv) key non-government stakeholder meetings – civil society representatives, private sector/merchants/shop keepers, schools. In addition, primary data will be collected through household surveys for one of the projects (see special performance assessment of ARMP II later in this section). The findings of the evaluation will be the result of “triangulation” of evidence collected from different sources.

59. **Ratings** will be provided for individual projects/programmes, and on that basis, a rating for the performance of the overall project portfolio will be derived. The performance of the portfolio will be benchmarked with the performance of IFAD operations in the Near East, North Africa and Europe region and globally, as well as with the results of other donors working in agriculture and rural development in Jordan (subject to availability of comparable data). Ratings will also be provided for NLAs, the COSOP’s relevance and effectiveness as well as the overall Government-IFAD partnership.
60. **Coverage and scope.** It is customary for CPEs to cover IFAD operations over a period of an approximately ten years, taking also into account evolving objectives of the portfolio.¹⁹ In view of the evolution of the objectives and approaches of IFAD assistance to Jordan, it is proposed that this CPE will analyse the more recent four projects (see table 2) which belong to the second generation of projects in Jordan - focusing on poverty alleviation through natural resource management in the more marginal areas to the east and south of the country (see section on evolution of the strategy). This new generation started with the ARMP, which is the first phase of the only ongoing project in Jordan (ARMP II). As ARMP, phase I was approved in 1995 this implies that the CPE would need go back further than the customary ten years and would cover more or less 16 years (1995-2011) of IFAD-Government cooperation in Jordan.
61. The objective of the CPE is not to undertake detailed evaluations individually of the four projects and programmes funded by IFAD in Jordan covered by the CPE. This is neither possible nor desirable in view of the CPE’s objectives and the human/financial resources available for the exercise. Nonetheless, the evaluation will visit all four projects covered by the CPE and will collect evidence to assess them across all evaluation criteria.
62. Two projects, Yarmouk Agricultural Resource Management Project and National Programme for Rangeland Rehabilitation are being subject to Project Performance Assessments (PPAs) by IOE. The first one is being completed and the second one will be undertaken prior to the CPE. The objective of the PPA is to provide additional independent evidence on results and further validate conclusions and evidence from the completion reports of these projects. The PPAs will be used as inputs for the CPE.
63. In addition to the above, one project (ARMP II) will be subject to a special in-depth performance and impact assessment before the main CPE mission. This project is the largest operation supported by IFAD in Jordan (total project cost US\$42 million) and constitutes the second phase of ARMP, approved in 1995 as mentioned above. It is considered to be an innovative project in Jordan, including community participation in planning and expects to increase income and improve livelihoods of a target group of 22,300 households. A MTR was conducted in February 2009. The purpose of this assessment is to collect primary data from the field, in order to further strengthen the quantitative nature of the CPE. The performance on impact assessment will be conducted by a local counterpart (private firm or university) to be identified during the preparatory mission in Jordan in April.

¹⁹ Evaluation Manual. Methodology and Processes. Chapter 4. IFAD Office of Evaluation.

64. With regards to non-lending activities, this will specifically entail an assessment of IFAD and Government's combined efforts in promoting policy dialogue, partnership strengthening (e.g., with Government, bilateral donors active in Jordan such as e.g. USAID, JAICA, and GTZ, UN agencies such as e.g. UNDP and WFP, IFIs such as e.g. the World Bank, the Islamic Development Bank and the OFID and the AFESD, private sector, NGOs, and civil society organizations) and knowledge management. The CPE will review the synergies between lending and non-lending activities. For example, it will assess knowledge management activities promoted, and whether they have provided the required basis to inform policy dialogue with the Government and others on specific operational issues. In evaluating non-lending service performance, just as in the case of the project portfolio assessment, the CPE will also review the progress made in furthering the main elements of the Paris Declaration on Aid Effectiveness. A final assessment and rating for non-lending activities will be generated by the CPE team.
65. The assessment of the performance of the COSOP is central to the CPE. This will include assessing COSOP relevance in seven specific areas: (i) strategic objectives; (ii) geographic priority; (iii) sub-sector focus such as e.g. natural resource management, agricultural development; promotion of rural financial services; (iv) main partner institutions including MOPIC, and relevant line ministries such as MOA and MOWI; (v) targeting approach used, including emphasis on selected social groups such as women; (vi) mix of instruments in the country programme (loans, grants and non-lending activities); and (vii) the provisions for country programme and COSOP management. The CPE will assess the effectiveness of the COSOP by determining the extent to which the specific COSOP objectives have been met, and will take into consideration the fact that no projects have been approved under the 2007 COSOP. In assessing the performance of the COSOP along the above-mentioned criteria, the CPE will analyse the priorities and experiences of other donors such as the WB, USAID and the AFESD in Jordan. An overall rating for the performance of the COSOP will be provided by the CPE, taking into account the assessments of relevance and effectiveness. The evaluation will assess the two COSOPs prepared for Jordan in 2000 and 2007.
66. **Process.** The CPE entails five phases. These are: (i) preparation, discussion and completion of the Approach Paper; (ii) desk work phase; (iii) country work phase; (iv) report writing; and (v) communication activities.
67. The desk work phase includes the preparation of short desk review notes on the projects included in the CPE. Each desk review note will follow a standard format developed by IOE. In addition, a separate desk review note will be prepared on non-lending activities. All desk review notes will be used to prepare a consolidated CPE desk review report, to be shared for comments first with IFAD's NEN division and thereafter with the Government of Jordan. This process will be completed before launching of the main CPE mission.
68. In addition, during the desk work phase, NEN and the Government of Jordan will be asked to prepare their respective **self-assessments** using as overall reference the questions contained in the CPE framework. IOE will provide more specific set of questions to both NEN and Government of Jordan for consideration for the preparation of their respective self-assessments. Among other issues, the preparatory mission (see next paragraph) will provide IOE with the opportunity to brief Government on the overall objectives and approach to the self-assessment.
69. The country work phase entails various activities including; (i) a preparatory mission to Jordan to discuss the approach paper with the Government and other stakeholders;²⁰ (ii) the undertaking of a special performance and impact assessment in Agriculture Resource Management Project II (ARMP II); the PPA of

²⁰ This will also provide an opportunity to brief the government on the Evaluation Policy, IOE's CPE methodology, and the requirements for the self-assessment.

the National Programme for Rangelands Rehabilitation and Development; and (iii) the main CPE mission which will be undertaken by a team of experts in all relevant disciplines for the Jordan programme (see section VII on the Evaluation team) to ensure an appropriate evaluation of the IFAD-Government cooperation. The main mission will spend around three weeks in the country. It will hold discussions in Amman, travel to various governorates located mainly on the west part of the country for consultation with key partners, and visit selected IFAD-supported projects and programmes to see activities on the ground and hold discussions with beneficiaries.

70. At the end of the main CPE mission, the evaluation team will prepare an aide memoire and present it to the Government, NEN and other key partners in Amman in a wrap up meeting, which will also be attended by the IFAD CPM for Jordan and the IOE lead evaluator for the Jordan CPE. The aide memoire will capture the main findings from the CPE's field work.
71. The CPE report writing phase will follow the country work phase. During this phase, the CPE team will prepare their independent evaluation report, based on the data collected throughout the evaluation process. The report will be exposed to a rigorous internal peer review within IOE.²¹ Thereafter, it will be shared with NEN for comments. Following the incorporation of NEN's comments, the report will be sent to the Government and other partners in the country for their feedback. A dedicated mission will be organized by IOE to Jordan to discuss with the Government their comments.
72. The final phase of the evaluation, communication, will entail a range of activities to ensure timely and effectively outreach of the findings, lessons learned and recommendations from the CPE – see section VIII for more details.

V. The Core Learning Partnership

73. The core learning partnership (CLP) consists of the main users of the evaluation, and as per the Evaluation Policy, it is mandated to provide guidance to IOE at critical stages in the evaluation process. Furthermore, by ensuring that the evaluation asks relevant questions, and by becoming involved in it from an early stage in the process, the CLP also plays a role in developing ownership of the evaluation and in facilitating the utilization of evaluation recommendations and learning. The CLP will be involved, in particular, in:
 - (a) reviewing and commenting on the draft Approach Paper;
 - (b) reviewing and commenting on the Desk Review Report;
 - (c) reviewing and commenting on the draft CPE report;
 - (d) reviewing and commenting on the draft Issues Paper to be discussed at the Jordan CPE National Roundtable Workshop (see section VIII); and
 - (e) participating in the above-mentioned workshop, which will provide an opportunity to discuss the main findings, conclusions and recommendations of the evaluation.
74. Representatives from the following institutions are proposed as part of the CLP for the Jordan CPE. From the Government of Jordan: (i) MOPIC; (ii) MOA; (iii) MOF; (iv) MOWI; (v) Ministry of Environment; (vi) Ministry of Social Development; and (vii) Embassy of Jordan in Rome. From IFAD: (i) Director IOE; (ii) Director of NEN; (iii) Jordan CPM; and (iv) Jordan CPE Lead Evaluator, IOE. The CLP will also include relevant representatives from academia and civil society. The composition of the CLP will be finalized following the CPE preparatory mission in April 2011.

²¹ This will include the Director of IOE and two other evaluation officers.

75. The CPE will ensure that - in addition to the CLP - other key users of the evaluations are adequately informed through the evaluation process such as the directors of all IFAD-funded projects in the Country, and representatives of cofinancers and key development institutions active in Jordan such as the World Bank, the Islamic Development Bank, UNDP, FAO, WFP, OFID, AFESD, and the Government of UE/Abu Dhabi.

VI. The Agreement at Completion Point

76. As per the IFAD Evaluation Policy, each IOE evaluation is concluded with an Agreement at Completion Point (ACP). The ACP is a short document which captures the main findings and recommendations contained in the CPE report that IFAD and the Government agree to adopt and implement within specific timeframes. *The ACP was prepared at the end of the CPE process, and benefits from the comments of the participants of the CPE national roundtable workshop (see section VIII). Once finalized, the ACP was signed by the Government of Jordan (represented by the Minister of Planning and International Cooperation) and IFAD (represented by the Associate Vice President, Programmes, Programme Management Department). The ACP was included as an integral part of the final published version of the CPE report.*

VII. Evaluation Team

77. The Director of IOE, Mr Luciano Lavizzari, will have the overall responsibility for the Jordan CPE. He has designated Mr Miguel Torralba, Evaluation Officer in IOE, as the lead evaluator for the purpose. Mr Torralba will be supported by other IOE staff, Ms Cecile Berthaud and Ms Catrina Perch, Evaluation Officers, and Ms Miriam Irías, Evaluation Assistant.
78. The CPE consultant's team will be headed by a Consultant's Team Leader who will be supported by specialists in the following fields: (i) agriculture and natural resources management; (ii) community development, social and gender issues; (iii) rural microfinance.

VIII. Communication and Dissemination

79. A CPE national roundtable workshop will be organized in Amman by IOE in close collaboration with the Government of Jordan and NEN towards the end of the evaluation process. This workshop, which will focus on learning, will allow multiple stakeholders to exchange views on key evaluation issues and provide inputs for the preparation of the evaluation's ACP. The Associate Vice President, Programmes, IFAD's Programme Management Department, Directors IOE and NEN, and other IFAD staff are expected to take part in the workshop.
80. The published final CPE report will thereafter be widely distributed. An evaluation Profile and Insight²² will be prepared on the Jordan CPE, and distributed together with the final evaluation report. The CPE report, Profile and Insight will also be disseminated through selected electronic networks such as the United Nations Evaluation Network (UNEVAL). The main text of the CPE report will be around 50 pages, written in English.
81. It is important to note that written comments of the Government and NEN on key CPE deliverables will be treated with utmost consideration by IOE, in line with the provisions contained in the IFAD Evaluation Policy. This requires IOE to: (i) rectify any factual inaccuracies that may be present in the CPE report; and (ii) carefully assess the comments of partners on substantive issues, and decide whether or not they should be included in the report. Comments of a substantive nature that,

²² The Profile is an 800 word brochure capturing the main findings and recommendations from the CPE. The Insight will focus on one key learning issue emerging from the CPE, with the intention of raising further attention and debate around the topic among development practitioners.

according to IOE, would not lead to changes in the evaluation's overall findings may be flagged in the main CPE report as dissenting views in the form of footnote(s), clearly indicating the issue at hand and source of comment. Finally, IOE will prepare and share an "audit trail" of how it has treated the comments of the Government and NEN in finalizing the CPE report.

IX. Evaluation Roadmap

82. The provisional timetable for the CPE is given below. It is utmost important that NEN and the Government carefully review the various activities and proposed timeframes, given that their inputs and participation will be essential at key steps to ensure the success of the CPE.

Date	Activity/Milestone
1 March	Fax to Government of Jordan informing about the CPE
16 March	Share draft Approach Paper with NEN
23 March	Comments from NEN on draft Approach Paper
25 March	Share draft Approach Paper with potential CLP members in Jordan
February-May	CPE desk review phase: preparation of desk review notes, consolidation of the CPE desk review report, dedicated performance assessment
10-14 April	Preparatory mission to Jordan Finalize Approach Paper and consultants' contracts
20 May	Draft Desk Review Report (DRR) to NEN
03 June	Comments from NEN on DRR
10 June	DRR to Government
18 June	Start of Main CPE Mission in Jordan
9 July	CPE wrap-up meeting with IOE and NEN to discuss aide memoire with the Government and other partners in Amman. End of main mission
September	First draft of CPE. (Consultant's Team Leader to IOE)
October	First Draft to IOE Peer Review
mid November*	IOE shares draft CPE with NEN
mid December	NEN provides comments to IOE on draft CPE
2012	
January	IOE Shares draft CPE with Government with copy to NEN (together with audit trail to NEN)
February	Government of Jordan provides comments to IOE
March	IOE to finalize evaluation report and share with all partners (prepare and share with Government audit trail on their comments)
tbd	CPE National Roundtable Workshop in Jordan**
August	Finalize CPE agreement at completion point and publish report, profile and insight

* Dates revised at wrap-up meeting at the end of main mission in Amman on July 9th 2011

**The dates of the workshop still have to be agreed with the Government of Jordan.

Evaluation framework

	<i>Key questions</i>	<i>Main sources of data and information</i>
PORTFOLIO PERFORMANCE		
Project Relevance	<ul style="list-style-type: none"> • Are project objectives realistic and consistent with Jordan's national agriculture and rural development strategies and policies, the COSOP and relevant IFAD sector and subsector policies, as well as the needs of the rural poor? • Was the project design (including synergies among activities and services, financial allocations, project management and execution, supervision and implementation support, and monitoring and evaluation arrangements) appropriate for achieving the project's core objectives? • How coherent was the project in terms of its fit with the policies, programmes and projects undertaken by the Government and other development partners in Jordan? • Was the project design participatory in the sense that it took into consideration the inputs and needs of key stakeholders, including the Government, executing agencies, cofinanciers and the expected beneficiaries and their grassroots organizations? • Did the project benefit from available knowledge (for example, the experience of other similar projects in the area or in the country) during its design and implementation? • Did project objectives remain relevant over the period of time required for implementation? In the event of significant changes in the project context or in IFAD policies, has design been retrofitted? • What are the main factors that contributed to a positive or less positive assessment of relevance? 	Government of Jordan Plans; IFAD project design documents, IFAD policy statements and Jordan COSOPs. Interviews with IFAD managers, Government of Jordan and project officials.
Project Effectiveness	<ul style="list-style-type: none"> • To what extent have the objectives of the project and its components been attained both in quantitative and in qualitative terms? • If the project is not yet complete, is it likely that so far unattained objectives may be accomplished in full/in part before its closure? • What factors in project design and implementation account for the estimated results in terms of effectiveness? • In particular, what changes in the overall context (e.g., policy framework, political situation, institutional set-up, economic shocks, civil unrest, etc.) have affected or are likely to affect project implementation and overall results? 	Evaluations of completed projects, PCRs, MTRs and supervision reports, Country Portfolio Reviews. Surveys of project beneficiaries.
Project Efficiency	<ul style="list-style-type: none"> • What are the costs of investments to develop specific project outputs (e.g., what is the cost of constructing one kilometre of rural road)? The quality of works/supplies needs to be fully (and explicitly) recognized for such input/output comparisons. • Is the cost ratio of inputs to outputs comparable to local, national or regional benchmarks? • What are the loan costs per beneficiary (both at the time of appraisal and at the time of evaluation) and how do they compare to other IFAD-funded operations (or those of other donors) in the same country and/or other countries? • How does the economic rate of return at evaluation compare with project design? • What are the administrative costs per beneficiary and how do they compare to other IFAD-funded operations (or those of other donors) in Jordan of other countries, especially in Near East and North Africa Countries? • A number of IFAD projects have had substantial delays in effectiveness? What has been the cause of these delays and how costly have these delays been? • By how much was the original closing date extended, and what were the additional administrative costs that were incurred during the extension period? • What factors helped account for project efficiency performance? 	Evaluations of completed projects, PCRs, MTRs and supervision reports. Surveys of project beneficiaries. Interviews with project managers.

Evaluation framework (cont.)

	<i>Key questions</i>	<i>Main sources of data and information</i>
PORTFOLIO PERFORMANCE		
Rural poverty impact	<p>I. Household income and assets</p> <ul style="list-style-type: none"> • Did the composition and level of household incomes change (more income sources, more diversification, and higher income)? • What changes are apparent in intra-household incomes and assets? • Did farm households' physical assets change (farmland, water, livestock, trees, equipment, etc.)? Did other household assets change (houses/pucca houses, bicycles, radios, television sets, telephones, etc.)? • Did households' financial assets change (savings, debt, borrowing, insurance)? • Were the rural poor able to access financial markets more easily? • Did the rural poor have better access to input and output markets? • Do the better health and education promoted by the programme allow the rural poor to obtain higher incomes and more assets? <p>II. Human and social capital and empowerment</p> <ul style="list-style-type: none"> • Did rural people's organizations and grassroots institutions (such as SHGs, water user groups) change? Were the SHGs established under the project effective in empowering women in the community and promoting gender equity? • Are changes in the social cohesion and local self-help capacities of rural communities visible? • To what extent did the project empower the rural poor vis-à-vis development actors and local and national public authorities? Do they play more effective roles in decision-making? Did the devolution process facilitated by the project? • Were the rural poor empowered to gain better access to the information needed for their livelihoods? • Did the rural poor gain access to better health and education facilities? <p>Two important social areas – youth and migration – have not figured prominently in IFAD's programme in Jordan. Should there have been a greater effort to integrate these issues into the programme?</p> <p>III. Food security and agricultural productivity</p> <ul style="list-style-type: none"> • Did cropping intensity change? Was there an improvement in land productivity and, if so, to what extent? Did the returns to labour change? How many tribal households have transferred from subsistent shifting cultivation to economic agricultural activities? • Did children's nutritional status change (e.g. stunting, wasting, underweight)? • Did household food security change? • To what extent did the rural poor improve their access to input and output markets that could help them enhance their productivity and access to food? <p>IV. Natural resources and the environment</p> <ul style="list-style-type: none"> • Did the status of the natural resources base change (land, water, forest, pasture, fish stocks, etc.)? In tribal development, how many shifting cultivation land were treated with sound conservation measures? • Did local communities' access to natural resources change (in general and specifically for the poor)? • Has the degree of environmental vulnerability changed (e.g., exposure to pollutants, climate change effects, volatility in resources, potential natural disasters)? • Have the projects facilitated the implementation of policies and legislation such as those relating to the access of the poor to natural resources, adaptation to climate change, and the protection of biodiversity? 	<p>Evaluations of completed projects, PCRs, MTRs and supervision reports.</p> <p>Surveys of project beneficiaries. Special Performance Assessment DPRDP. Interviews with beneficiaries and project managers.</p>

	<p>V. Institutions and policies</p> <ul style="list-style-type: none"> • Were there any changes in rural financial institutions (e.g., in facilitating access for the rural poor)? • How did public institutions and service delivery for the rural poor change? • What improvements were discernible in local governance, including the capacity and role of government departments, NGOs, the private sector, and elected bodies and officials? • Were there any changes in national/sectoral policies affecting the rural poor? • Did the regulatory framework change insofar as its impact on the rural poor? • Did market structures and other institutional factors affecting poor producers' access to markets change? <p><i>Note: For each domain, the evaluation should describe the impact achieved and also the underlying reasons (i.e., the “why” factor) behind the observed or expected changes.</i></p>	
Project Sustainability	<ul style="list-style-type: none"> • Was a specific <i>exit strategy</i> or approach prepared and agreed upon by key partners to ensure post project sustainability? • What are the chances that benefits generated by the project will continue after project closure, and what factors militate in favour of or against maintaining benefits? What is the likely resilience of economic activities to shocks or progressive exposure to competition and reduction of subsidies? <p>How robust are the institutions that have been established under IFAD projects, and are they likely to be able to ensure the continuation of benefits to the rural poor?</p> <ul style="list-style-type: none"> • Is there a clear indication of government commitment after the loan closing date, for example, in terms of provision of funds for selected activities, human resources availability, continuity of pro-poor policies and participatory development approaches, and institutional support? Did the IFAD project design anticipate that such support would be needed after loan closure? <p>Do project activities benefit from the engagement, participation and ownership of local communities, grassroots organizations, and the rural poor?</p> <ul style="list-style-type: none"> • Did the NGOs involved continue their support to village organizations after project closure? • Are adopted approaches technically viable? Do project users have access to adequate training for maintenance and to spare parts and repairs? • Are the ecosystem and environmental resources (e.g. fresh water availability, soil fertility, and vegetative cover) likely to contribute to project benefits or is there a depletion process taking place? <p>IFAD is one of the few agencies that has operated in conflict situations in Jordan. Are there lessons from IFAD's involvement in such situations?</p>	Visits to sites of completed projects and interviews with beneficiaries and project managers. In selected cases consideration will be given to commissioning new surveys
Innovations, Replication and Scaling up	<ul style="list-style-type: none"> • What are the characteristics of innovation(s) promoted by the project or programme? Are the innovations consistent with the IFAD definition of this concept? • How did the innovation originate (e.g., through the beneficiaries, Government of Jordan, IFAD, NGOs, research institution, etc.) and was it adapted in any particular way during project/programme design? • Are the actions in question truly innovative or are they well-established elsewhere but new to the country or project area? • Were successfully promoted innovations documented and shared? Were other specific activities (e.g., workshops, exchange visits, etc.) undertaken to disseminate the innovative experiences? • Have these innovations been replicated and scaled up and, if so, by whom? If not, what are the realistic prospects that they can and will be replicated and scaled up by the Government, other donors and/or the private sector? 	Interviews with Government of Jordan and State and Local Governments. In depth reviews of project documents. Discussions with IFAD managers.

Evaluation framework (cont.)

	<i>Key questions</i>	<i>Main sources of data and information</i>
PORTFOLIO PERFORMANCE		
Performance of partners	<p>IFAD</p> <ul style="list-style-type: none"> • Did IFAD mobilize adequate technical expertise in the project design? • Was the design process participatory (with national and local agencies, grassroots organizations) and did it promote ownership by the borrower? • Were specific efforts made to incorporate the lessons and recommendations from previous independent evaluations in project design and implementation? • Did IFAD adequately integrate comments made by its quality enhancement and quality assurance processes? • Did IFAD (and the Government) take the initiative to suitably modify project design (if required) during implementation in response to any major changes in the context, especially during the MTR? • What was the performance of IFAD in projects that are under direct supervision and implementation support? In the case of the supervision of a cooperating institution, how effective was IFAD in working with the institution to carry out the mandated task? In both cases, has IFAD exercised its developmental and fiduciary responsibilities, including compliance with loan and grant agreements? • Was prompt action taken to ensure the timely implementation of recommendations stemming from the supervision and implementation support missions, including the MTR? • Did IFAD undertake the necessary follow-up to resolve any implementation bottlenecks? • Where applicable, what is the role and performance of IFAD’s country presence team in Jordan (including proxy country presence arrangements)? Did IFAD headquarters provide the necessary support to its country presence team, for example, in terms of resources, follow-up and guidance, adequate delegation of authority, and so on? • Has IFAD made proactive efforts to be engaged in policy dialogue activities at different levels in order to ensure, inter alia, the replication and scaling up of pro-poor innovations? • Has IFAD been active in creating an effective partnership and maintaining coordination among key partners to ensure the achievement of project objectives, including the replication and scaling up of pro-poor innovations? • Has IFAD, together with the Government, contributed to planning an exit strategy? <p>Government of Jordan</p> <ul style="list-style-type: none"> • Has the Government assumed ownership and responsibility for the project? Judging by its actions and policies, has the Government, including national, state and local governments, been fully supportive of project goals? • Has adequate staffing and project management been assured? Have appropriate levels of counterpart funding been provided on time? • Has project management discharged its functions adequately, and has the Government provided policy guidance to project management staff when required? • Did the Government ensure suitable coordination of the various departments involved in execution? • Has auditing been undertaken in a timely manner and have reports been submitted as required? • Did the Government (and IFAD) take the initiative to suitably modify the project design (if required) during implementation in response to any major changes in the context? • Was prompt action taken to ensure the timely implementation of recommendations from supervision and implementation support missions, including the MTR? 	<p>Project design documents. Supervision reports. PCRs, MTRs, Completion evaluations, Interviews with partner agencies, Government of Jordan officials NGOs and IFAD managers.</p> <p>Project design documents. Supervision reports. PCRs, MTRs , Completion evaluations, Interviews with partner agencies, Government of Jordan officials NGOs and IFAD managers.</p>

Evaluation framework (cont.)

	<i>Key questions</i>	<i>Main sources of data and information</i>
PORTFOLIO PERFORMANCE		
Performance of partners	<p>Government of Jordan (cont.)</p> <ul style="list-style-type: none"> • Has an effective M&E system been put in place and does it generate information on performance and impact which is useful for project managers when they are called upon to take critical decisions? • Has the Government (and IFAD) contributed to planning an exit strategy and/or making arrangements for continued funding of certain activities? • Have loan covenants and the spirit of the loan agreement been observed? • Has the Government facilitated the participation of NGOs and civil society where appropriate? • Have the flow of funds and procurement procedures been suitable for ensuring timely implementation? • Has the Government engaged in a policy dialogue with IFAD concerning the promotion of pro-poor innovations? 	
	<p>Cooperating Institution</p> <p>Should there have been greater involvement of partners such as the UN agencies and other development agencies in the design, financing and implementation of the programme?</p> <ul style="list-style-type: none"> • Has the supervision and implementation support programme been properly managed (frequency, composition, continuity)? • Has the cooperating institution complied with loan covenants? • Has the cooperating institution been effective in financial management? • Has the cooperating institution sought to monitor project impacts and IFAD concerns (e.g., targeting, participation, empowerment of the poor and gender aspects)? • Have implementation problems been highlighted and appropriate remedies suggested? Have the suggestions and related actions been followed in the next supervisions? • Has the cooperating institution promoted or encouraged self-assessment and learning processes? • Has the supervision process enhanced implementation and poverty impacts? • Has the cooperating institution been responsive to requests and advice from IFAD when carrying out its supervision and project implementation responsibilities? 	Interviews with representatives of cooperating institutions. PCRs, MTRs and evaluations of completed projects.
	<p>Community-Based Organizations (CBOs) and NGOs</p> <ul style="list-style-type: none"> • How effectively have NGOs fulfilled their contractual service agreements? • Have NGOs/CBOs acted to strengthen the capacities of rural poor organizations? • Did NGOs/CBOs contribute to the sustainability of project activities? 	

Evaluation framework (cont.)

	<i>Key questions</i>	<i>Main sources of data and information</i>
NON-LENDING ACTIVITIES		
Relevance	<ul style="list-style-type: none"> • Are policy dialogue, partnership-building, and knowledge management objectives clearly outlined in the COSOP? Are they in line with the needs of the poor and are they consistent with the strategic objectives of the COSOP and lending operations, as well as with the Government's priorities? • Do the selected non-lending activities provide sufficient support for country programme objectives as per COSOP, as well as the loan portfolio in the country? • Were resources earmarked for non-lending activities and explicitly outlined in the COSOP (e.g., in the form of grants and/or the IFAD administrative budget)? • Was the selected mix of policy dialogue, partnership-building and knowledge management appropriate and relevant? 	<p>Review of IFAD documentation on non-lending activities.</p> <p>Discussions with counterparts responsible for implementing these activities</p>
Effectiveness	<ul style="list-style-type: none"> • Describe the extent to which non-lending activities achieved their objectives if they were explicitly articulated. • How did non-lending activities contribute to the replication and scaling up of innovation promoted by IFAD? • Has IFAD systematically engaged in and contributed to the deliberations of donor working groups related to agriculture, food issues and rural development? • How much progress has been made as a result of non-lending activities in furthering the application of the provisions contained in the Paris Declaration on Aid Effectiveness in terms of ownership, alignment, donor coordination and harmonization, managing for results and mutual accountability? • With regard to knowledge management, was the COSOP's strategic objectives and project design and implementation properly informed by IFAD experiences in Jordan and elsewhere? • Were the most appropriate approaches deployed to achieve the desired results? • What have been the roles of the IFAD country representative, where applicable, and of the main government institutions in making non-lending services effective? 	
Efficiency	<ul style="list-style-type: none"> • Could alternative instruments and activities be implemented to reduce costs in non-lending activities? • What were the costs of the different types of non-lending activities and how do they compare to IFAD benchmarks (where available)? • Was the administrative burden on country officials minimized? 	

Evaluation framework (cont.)

	<i>Key questions</i>	<i>Main sources of data and information</i>
COSOP PERFORMANCE		
Relevance	<p>Assessment of the alignment of strategic objectives</p> <ul style="list-style-type: none"> • Were the objectives set out in the COSOP consistent with the overarching objectives of the prevailing IFAD strategic framework and relevant corporate policies? • Were the strategic objectives identified in the COSOP consistent with the Government's strategies and policies, such as the PRSP and agricultural sector framework, for agriculture and rural development as well as economic and social development? • Were the strategic objectives clearly defined and suitable for achieving sustainable rural poverty reduction? Was the basic approach adopted by IFAD, focused on support for women and socially excluded groups, too narrowly defined in terms of a broad strategy for rural poverty reduction? Should there have been an attempt to encompass issues such as youth, migration and addressing conflict in the rural areas? • Did the poverty analysis (economic and sector work) provide an adequate basis for the development of overall strategy; including the selection of the main elements of the COSOP (refer to Evaluation Manual)? • Are the strategic objectives aligned with the priorities of other bilateral and multilateral donors working in agriculture and rural development in the same country? If other donors pursued other priorities, should they have been convinced to align with IFAD? <p>Evaluating the coherence of the main elements of the COSOP</p> <ul style="list-style-type: none"> • Did the strategy succinctly articulate IFAD's comparative advantage and competencies in the country (i.e., country positioning)? • Were the target groups clearly identified in terms of the nature of the assistance that IFAD would provide? • Did IFAD select the most appropriate subsectors for investments? • Were the geographic priorities defined in the strategy consistent with the definition of the target groups? • Were the main partner institutions (e.g., for project execution, supervision and implementation support, community mobilization, cofinancing) the correct ones for meeting the country strategy objectives? • Were specific objectives defined and resources allocated for non-lending activities, including policy dialogue, partnership-building and knowledge management? • Were appropriate synergies foreseen within and among investment activities and between lending and non-lending activities? That is, did IFAD's overall assistance constitute a coherent country programme? For example, in terms of supervision and implementation support, the roles of the country programme management team and country presence arrangements. Country positioning is a measure of how well the organization responded to (or even anticipated) the evolving development challenges and priorities of the Government, built on the organization's comparative advantages, and designed its country strategies and programmes in a manner that took into consideration the support available from other development partners. • Did IFAD assess the extent to which the global policy environment (trade, migration, etc.) and exogenous factors (e.g., climate change, exposure to natural disasters) should guide the choice of lending and non-lending instruments and the priorities for IFAD engagement through lending and non-lending services? 	

Evaluation framework (cont.)

	<i>Key questions</i>	<i>Main sources of data and information</i>
COSOP PERFORMANCE		
Relevance	<p>Country programme management and COSOP management</p> <ul style="list-style-type: none"> • Did the Fund and Government of Jordan select appropriate supervision and implementation support arrangements? • How did country presence support the COSOP strategic objectives? Was the most suitable country presence arrangement established in the country? • Were lessons learned and recommendations set forth in independent evaluations properly reflected in the country strategy? • Were sufficient administrative and human resources made available for the implementation of the country strategy by both IFAD and the Government? • Did the CPM and country Programme officer have appropriate skills and competencies to promote the policy dialogue and partnership-building objectives identified in the COSOP? • What is the quality of the COSOP results management framework, project status reports, and aggregated RIMS reports and country programme sheets? Were Management actions in connection with this information system appropriate? • Was the COSOP M&E performed properly? Were annual country programme reviews undertaken in a timely manner and were the corresponding recommendations implemented within the required time frames? • As the COSOP is dynamic, was it modified to reflect changes at the country level? • Did the CPMT concept function appropriately and make the required contribution to country programme management? 	
Effectiveness	<ul style="list-style-type: none"> • To what extent were the main strategic objectives included in the COSOP achieved? • If a new COSOP is not yet foreseen, is it likely that so far unattained objectives may be achieved in full or in part? • What changes in the context have influenced or are likely to influence the fulfilment of the strategic objectives? Was the COSOP properly adapted mid-course to reflect changes in the context? • Did the Fund devote sufficient attention and resources to promoting effectiveness? 	

Definition of the evaluation criteria used by IOE

<i>Criteria</i>	<i>Definition^a</i>
Relevance	The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, institutional priorities and partner and donor policies. It also entails an assessment of project design in achieving its objectives.
Effectiveness	The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.
Efficiency	A measure of how economically resources/inputs (funds, expertise, time, etc.) are converted into results.
Rural poverty impact^b	Impact is defined as the changes that have occurred or are expected to occur in the lives of the rural poor (whether positive or negative, direct or indirect, intended or unintended) as a result of development interventions.
<ul style="list-style-type: none"> Household income and assets 	Household income provides a means of assessing the flow of economic benefits accruing to an individual or group, whereas assets relate to a stock of accumulated items of economic value.
<ul style="list-style-type: none"> Human and social capital and empowerment 	Human and social capital and empowerment include an assessment of the changes that have occurred in the empowerment of individuals, the quality of grassroots organizations and institutions, and the poor's individual and collective capacity.
<ul style="list-style-type: none"> Food security and agricultural productivity 	Changes in food security relate to availability, access to food and stability of access, whereas changes in agricultural productivity are measured in terms of yields.
<ul style="list-style-type: none"> Natural resources and the environment and climate change 	The focus on natural resources and the environment involves assessing the extent to which a project contributes to changes in the protection, rehabilitation or depletion of natural resources and the environment as well as in mitigating the negative impact of climate change or promoting adaptation measures.
<ul style="list-style-type: none"> Institutions and policies 	The criterion relating to institutions and policies is designed to assess changes in the quality and performance of institutions, policies and the regulatory framework that influence the lives of the poor.
Other performance criteria	
<ul style="list-style-type: none"> Sustainability 	The likely continuation of net benefits from a development intervention beyond the phase of external funding support. It also includes an assessment of the likelihood that actual and anticipated results will be resilient to risks beyond the project's life.
<ul style="list-style-type: none"> Innovation and scaling up 	The extent to which IFAD development interventions have: (i) introduced innovative approaches to rural poverty reduction; and (ii) the extent to which these interventions have been (or are likely to be) replicated and scaled up by government authorities, donor organizations, the private sector and others agencies.
<ul style="list-style-type: none"> Gender equality and women's empowerment 	The criterion assesses the efforts made to promote gender equality and women's empowerment in the design, implementation, supervision and implementation support, and evaluation of IFAD-assisted projects.
Overall project achievement	This provides an overarching assessment of the project, drawing upon the analysis made under the various evaluation criteria cited above.
Performance of partners	
<ul style="list-style-type: none"> IFAD Government 	This criterion assesses the contribution of partners to project design, execution, monitoring and reporting, supervision and implementation support, and evaluation. It also assesses the performance of individual partners against their expected role and responsibilities in the project life cycle.

^a These definitions have been taken from the OECD/DAC *Glossary of Key Terms in Evaluation and Results-Based Management* and from the IFAD Evaluation Manual (2009).

^b The IFAD Evaluation Manual also deals with the "lack of intervention", that is, no specific intervention may have been foreseen or intended with respect to one or more of the five impact domains. In spite of this, if positive or negative changes are detected and can be attributed in whole or in part to the project, a rating should be assigned to the particular impact domain. On the other hand, if no changes are detected and no intervention was foreseen or intended, then no rating (or the mention "not applicable") is assigned.

List of key persons met

Ministry of Agriculture (MOA)

Hon. Sameer Al-Habashneh, Minister
 Dr. Radi Al-Tarawneh, Secretary General
 Mr. Fuad Al Muhaisen, Assistant Secretary General for Projects
 Mr. Khaled Dhakan, Director of Projects and Rural Development Department
 Dr. Wael Alrashdan, Director of the Rangeland Directorate
 Dr. Malik Mahadeen, Director of Studies and Policies
 Eng. Khaled Habashneh, Project Director, Agricultural Resource Management Project II
 Mr. Awnr Shedaifat, Project Director, Yarmouk Agricultural Resource Management Project
 Eng. Foad Muheisan, Secretary General for Projects

Ministry of Planning and International Cooperation (MOPIC)

Dr. Saleh Kharabsheh, Secretary General
 Mr. Ziad Obeidat, Director Projects Department
 Mr. Ahmad Al-Jazza, Head of Agriculture
 Eng. Lamia Al-Zou'bi, Director, Impact Assessment Unit
 Mr. Mukhallad Omari, Director, Policies and Studies Department
 Mr. Samar Jomaian, Projects Department
 Mr. Malik Praizat, International Cooperation Department
 Ms. Sana N. Elhennawi, Senior Evaluator, Impact Assessment Unit
 Mr. Adel Basbous, Director, Economic and Social Productivity Programme
 Ms. Majdoleen Abudalhoun, Jordan Microfinance Committee

Ministry of Finance (MOF)

Mr. Sami Abdallah Toughoz, Director of Public Debt Dept.
 Mr. Ahmad H Hmaidat, Head of External debt Division

Ministry of Water

Eng Ali Sobeh, Assistant to Secretary General

National Center for Agricultural Research and Extension (NCARE)

Dr. Faisal Awawdeh, Director General

Agricultural Credit Corporation (ACC)

Mr. Tawfiq Habashneh, Director General
 Mr. Lubana Ismail Abdel Qader Hashash, Manager for Projects and International Cooperation

Central Bank of Jordan (CBJ)

Mr Ziad Fariz, former CBJ Governor

United Nations Development Programme (UNDP)

Ms. Jacinta Barrins, Country Director

Food and Agriculture Organization (FAO). Representation Office in Amman

Dr. Ahmed Elminiawy, FAO Representative

USAID

Dr. Wayne Frank, Deputy Director
Mr. Gregg Wiitala, Senior Programme Management Advisor

International Center for Agricultural Research in the Dry Areas (ICARDA)

Mr. Nasri Haddad, Regional Consultant for West Asia regional Programme

Jordan River Foundation (JRF)

Mr. Mohammad Al Khatib, Deputy Programme Manager

Noor Al Hussein Foundation (NHF)

Ms. Hana Shahin, Executive director

Royal Society for Conservation of Nature (RSCN)

Mr. Yehya Khaled, Director General

Al-Ittihad – National Microfinance Association of Jordan (*also: Microfinance Union, Council*)

Mr. Mustafa Nasereddin, Chairman

Care International-Jordan

Mr. Anis Tarabey, Programme Manager

Jordan Hashemite Fund for Development (JOHUD)

Mr. Reem Al Zaben, Deputy Director General
Mr. Qais Al Tarawneh, Manager

Microfund for Women (MFW)

Ms. Muna Sukhtian, Managing Director

University of Jordan - Faculty of Agriculture

Dr. Awni Taimeh, Associate Professor. (Ex- Sec. General of MOA)

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Department of Statistics: www.dos.gov.jo

Jordan Times: www.jordantimes.com

Ministry of Finance: www.mof.gov.jo

Country Summary Sheet - Jordan

Proj. Id	Project Name	Board Approval	Loan Effect.	Board - Effect. (months)	Current Project Completion	Extension (years)	% Disb. to 30/06/11	IFAD Amount (USD m)	Days Susp. (arrears)	
Closed										
67	Cooperative Development of Rainfed Agriculture Project	8/9/1981	1/10/1981	0.8	31/3/1990	4.2	99%	10.6	0	
115	Small Farmers Credit Project	10/12/1982	1/3/1983	2.7	30/6/1992	5.5	100%	12.0	0	
329	Income Diversification Project	6/4/1993	6/6/1994	14.0	30/6/2001	0.0	91%	10.0	0	
481	Agricultural Resource Management Project in the Governorates of Karak &	6/12/1995	11/7/1996	7.2	30/6/2003	0.5	100%	12.8	0	
1071	National Programme for Rangeland Rehabilitation and Development - Phase	4/12/1997	4/9/1998	9.0	30/6/2005	2.5	65% (79%)	4.0	0	
1092	Yarmouk Agricultural Resources Development Project	29/4/1999	3/4/2000	11.2	30/6/2008	2.0	100%	10.1	0	
6 projects			Average	7.5		2.5	96%	9.9	0.0	
Sub-total Closed projects			Region	11.0		2.1	86%	11.8	72.4	
			IFAD Average	11.9		1.8	84%	11.7	50.3	
Ongoing										
1295	Agricultural Resource Management Project - Phase II	2/12/2004	5/5/2005	6.1	31/12/2015	2.5	59%	11.8	0	
1 project			Average	5.1		2.5	59%	11.8	0.0	
Sub-total Ongoing projects			Region	12.4		0.5	47%	14.6	67.0	
			IFAD Average	13.5		0.3	47%	18.5	107.0	
7 projects			Total					71.4		
Total All Projects			% share of Regional Financing					3.6%		
			% share of Total IFAD Financing					0.6%		

Notes:

All dates are project-related.

For not effective projects, Board-Effect. refers to Board-30/6/2011

Figures for % disbursement refer to the original loan amounts.

Averages for % disbursements are equivalent to sum of disbursement divided by sum of original loan amounts.

If the loan amount was reduced/closed during implementation, figures in brackets refer to % disbursement of net loan amount and value.

USD loans included with SDR loans to calculate % average disbursement.

IFAD amount is at approval and includes component grants.

Characteristics of the Rural Poor in Jordan

<i>Characteristics of the Poor</i>	<i>Typical Sub-groups of Poverty within Rural Areas of Poverty Pockets</i>		
	<i>The very poor</i>	<i>The poor</i>	<i>The near poor</i>
Community description	<i>Fuqara</i> , destitute, have-nots	<i>Masturin</i> (<i>coping honourably</i>), below poverty line and vulnerable	<i>Maysurin</i> (<i>better-off</i>), on and around the poverty line but not well-off
Percentage within community	8%	30%	20%
Food Security and diet	Food insecure	Vulnerable to food insecurity	Food secure
Diet	Mainly cereals – all else limited, little protein	Cereals, vegetables/fruit 3 times a week; meat (mainly chicken) and dairy few times a week	Cereals, vegetables/fruit 3 times a week; meat/dairy more than three times a week
Income per capita per annum	Below JOD 240	Below JOD 556	Around JOD 556
Assets	Landless or maximum 3 dunum	Less than 3 dunum	Maximum 10 dunum
Income sources	Wage labour, kitchen garden, charities, NAF	Agriculture (mainly subsistence oriented), one salary, pension, social payments	One or two salaries or remittances, pensions, agriculture with subsistence/commercial orientation
Debt and credit	Monthly gap in expenditure, no credit	Monthly gap in expenditure, perhaps credit through informal networks or projects	Expenditure usually in balance, sometimes credit from formal institutions.
Productive assets	Up to 5 sheep and some backyard poultry	Tools, up to 20 sheep/goats, poultry	Tools, livestock, sometimes car and horse
Education	Possibly illiterate, elementary school	Possibly with high school certificate, no tertiary education	High school certificate, possibly tertiary education
Family characteristics	Widows, either very small or very large households, few able bodied adults. Health problems cause constraints	Usually above average number of children. Vulnerable to health as a production constraint	Often above average number of children. Generally good health
Health insurance	Only if eligible for NAF	Only if eligible for NAF	Sometimes has health insurance
Institutional linkages	Limited access, small social network, reliant on charity	Limited access to formal institutions, average access to informal/family based networks, sometimes project participants	Fairly good access to formal institutions, extensive access to informal family based networks, participate in projects, take part in community decision-making networks

Source: National Programme for Strengthening the Agricultural Sector and Improving Food Security. IFAD draft programme design report (2009). Formulated from WFP/JAAH 2008 data; UNDP Human Development Report 2004; COSOP and formulation fieldwork.

Sample of Crop budget

Olives on Sadr Spring Community Irrigation Scheme in Wadi Musa, near Petra (Figures reported by a group of scheme members)

Cost per dunum

<i>Item</i>	<i>Frequency</i>	<i>Unit cost, JD</i>	<i>Cost per year, JD</i>
Extra irrigation water	monthly (x6)	1.5	9
Labour*			40
Insecticide	x3 per year	20	60
Fertilizer			25
Total			134

Income

<i>Item</i>	<i>Unit</i>	<i>Calculation</i>	<i>Total</i>
Trees per dunum	tree	6,000 trees on 1,200 du	5
Yield of olives	kg/tree/ year		40
Market value of olives	JD/kg		1
Market value of olives per dunum	JD	5 x 40 x 1	200
Margin per dunum	JD	200 - 134	66
Average holding per member	dunum		8
Average annual margin per member	JD	66 x 8	528

* If labour is carried out by the owner rather than by a hired labourer, the return becomes much more attractive; JD 848 per average holding of 8 dunum instead of JD 528.

Members pay no annual membership fee, only a once-off fee of JD 125 on joining the scheme. The only recurring fee that members pay is for extra water over and above their allotted ½ hour per dunum every 22 days; extra water is charged at JD 1.5 per hour. The scheme's treasury is now empty.