

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Main report and annexes

Mission Dates: 26/04 to 16/05/2025

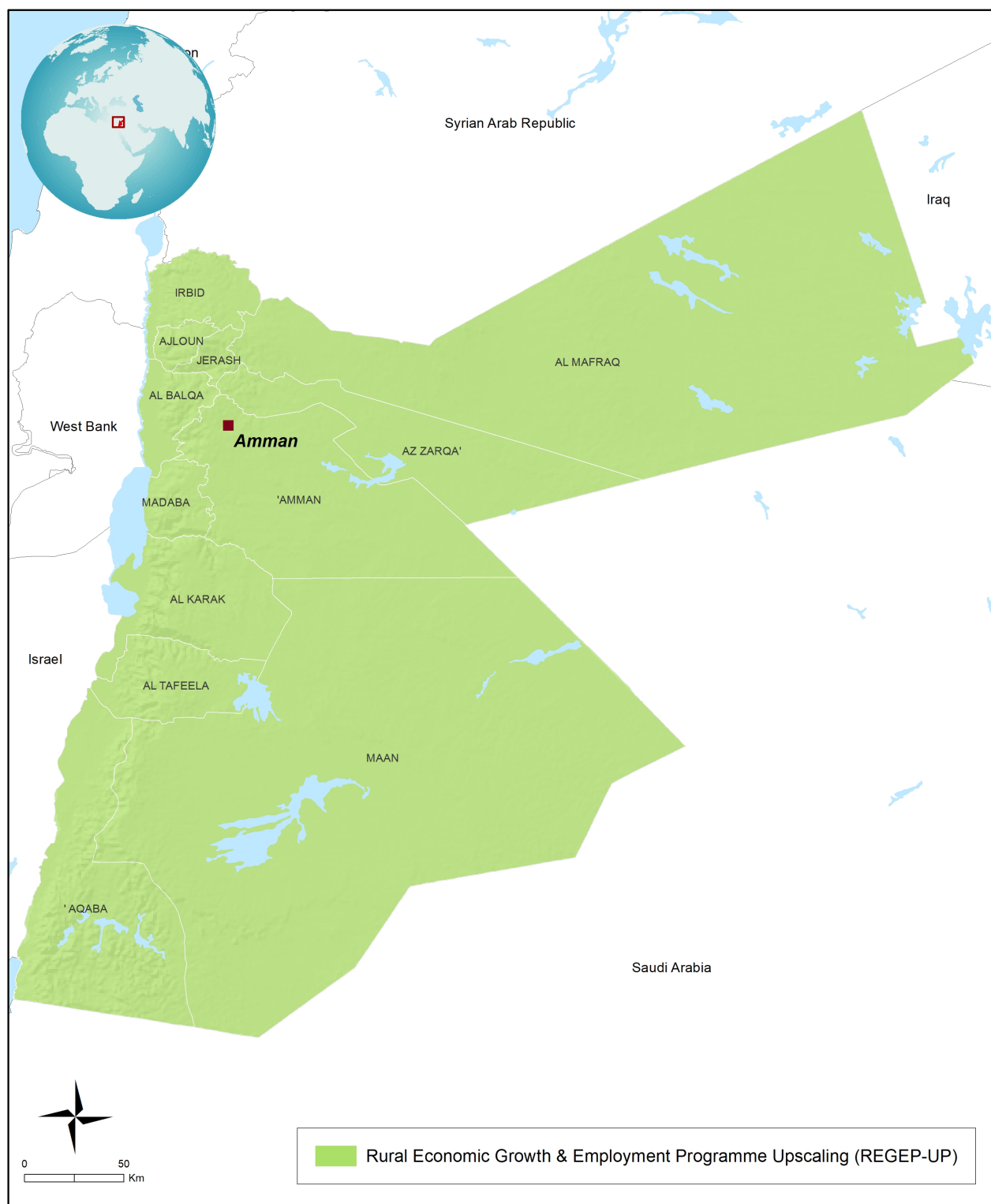
Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
Programme Management Department

Map of the Project Area



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.

Map compiled by IFAD | 16-05-2025

Abbreviations and Acronyms

ACC	Agricultural Credit Corporation
AWPB	Annual Work Plan and Budget
CBJ	Central Bank of Jordan
COI	Core Outcome Indicator
DEF	Development and Employment Fund
GoJ	Government of Jordan
GRM	Grievance Redress Mechanism
IFAD	International Fund for Agricultural Development
IsDB	Islamic Development Bank
JEDCO	Jordan Enterprise Development Corporation
JRF	Jordan River Foundation
KM&C	Knowledge Management and Communication
M&E	Monitoring and Evaluation
MIS	Management Information System
MSMEs	Micro, Small, and Medium-sized Enterprises
PFI s	Participating Financial Institutions
PIM	Programme Implementation Manual
PMCU	Programme Management Coordination Unit
REGEF	Rural Economic Growth and Employment Programme
SDGs	Sustainable Development Goals
SECAP	Social, Environmental and Climate Assessment Procedures
SLAs	Subsidiary Loan Agreements
ToC	Theory of Change
UNSDCF	United Nations Sustainable Development Cooperation Framework

In line with IFAD mainstreaming commitments, the project has been validated as:

☒ Be gender transformative ☒ Be youth sensitive ☒ Be nutrition sensitive ☐ Prioritize persons with disabilities ☐ Prioritize indigenous peoples ☒ Include climate finance ☒ Build adaptive capacity

Executive Summary

Jordan's development challenges include severe water scarcity, climate change impacts, and socio-economic strains from regional instability. Rural poverty is high, with agriculture as a key livelihood source. Rising poverty rates, food insecurity, and malnutrition—particularly among women—are prevalent. Gender disparities and youth unemployment remain critical issues. Climate change worsens these challenges, demanding climate-resilient agricultural practices and improved water management.

REGEP-UP is *strategically aligned* with several key national and international frameworks. It adheres to the UNSDCF (2023-2027) and contributes to Sustainable Development Goals 1, 2, 3, 5, 8, 10, 11 and 13. The programme is also in line with IFAD's Country Strategy Note, which emphasizes improving agricultural productivity, smallholder resilience, and value chain effectiveness. Furthermore, it supports Jordan's Economic Modernization Vision (2022), particularly its objectives for job creation, women's economic empowerment, and youth employment. The programme is consonant with the National Climate Change Adaptation Plan (2021), the National Climate Change Policy (2022-2050), the Joint Programme on Agrifood System Sustainability and Resilience the National Water Strategy (2023-2040), and the Nationally Determined Contributions (NDCs). Alignment also extends to the National Financial Inclusion Strategy (NFIS) 2023–2028, through the expansion of financial access for underserved groups, the National Strategy and Plan of Action Against Obesity and Related Noncommunicable Diseases (2015–Ongoing), the National Nutrition Strategy (2023-2030), and the National Food Security Strategy 2021-2030, which recognizes agriculture's vital role. Finally, REGEP-UP complements the Youth and Women Empowerment Strategy in the Water Sector (2025-2028), the National Strategy for Women in Jordan (2020-2025), and the National Youth Strategy (2019-2025).

Rationale and IFAD's Comparative Advantage: Jordan's increasing rural poverty, persisting challenges related to diet diversity—exacerbated by climate change and economic stressors—high youth unemployment, and low female labor force participation underscore the urgent need for intervention. IFAD is well-positioned to address these challenges due to its extensive experience with inclusive value chain development and its global knowledge repository in promoting climate-smart agriculture, sustainable food systems, job creation, and access to financial services. REGEP-UP will leverage the established REGEP platform to upscale its impact and contribute to sustainable rural development.

Programme Description

Theory of Change

Jordanian farmers contend with a multitude of challenges stemming from arid climates, limited water resources, the escalating impacts of climate change such as increase in rainfall variability and temperature as well prolonged drought period, reliance on traditional farming methods, and constrained market access. These difficulties are compounded by limited access to finance, structural barriers hindering the full participation of women and youth, and poor diet diversity. REGEP-UP's theory of change posits that by addressing these issues through interconnected pathways—specifically by enhancing value chains' climate resilience, boosting economic resilience, engaging in policy dialogue, and empowering women and youth while improving nutrition and diet—the programme will lead to improved productivity, profitability, adaptive capacity, and market access for the rural poor and all actors in the value chains. This comprehensive approach is expected to ultimately result in increased resilience against economic and climate shocks, thereby reducing poverty and enhancing nutrition security and quality. The success of this theory rests on key assumptions, including the prevalence of political and economic stability and the existence of a supportive policy environment conducive to financial inclusion.

Targeting Strategy

REGEP-UP will operate across all 12 governorates of Jordan, focusing on poverty clusters in irrigated, rainfed, and agropastoral zones. Geographic targeting uses indicators such as the Multidimensional Poverty Index, youth unemployment rates, and agroecological context. The programme aims to reach 14,142 households, prioritising poor rural households (35%), vulnerable smallholders (45%), and commercially oriented smallholders (20%). Women will make up 40% of beneficiaries, youth 30%, and refugees 15%. Selected crops include fruits, vegetables, and Medicinal and Aromatic Plants (MAPs), offering quick income potential.

Programme Objectives

The overarching goal of REGEP-UP is to reduce rural poverty and nutrition insecurity, while simultaneously increasing household resilience to the intertwined economic and climate-related challenges prevalent in Jordan's water-scarce context. The programme's development objective is to improve the productivity and incomes of poor smallholders and to generate sustainable employment. This will be achieved through tailored support to various actors within selected value chains, including rural MSMEs, thereby strengthening their integration into competitive and resilient agri-food systems.

REGEP-UP aims to improve soil and water management, adopt climate-resilient practices, enhance agribusiness development, and support inclusive financing for MSMEs. Additionally, it seeks to inform policy through data, knowledge, and advocacy for sustainable value chains. The programme's duration is six years.

Component 1: Resilient and Inclusive Value Chain Development

This component aims to ensure the adoption of sustainable and climate-adaptive practices, inputs, and technologies. The objectives are to strengthen climate resilience in water-scarce environments, enhance food production and nutrition by supporting sustainable family-based enterprises in food processing, and improve smallholders' access to markets. It will also focus on generating jobs in rural Small and Medium-sized Enterprises (SMEs) and supporting value addition in longer, commercially viable value chains.

- Sub-component 1.1: Microentrepreneurs Production and Processing
This sub-component targets poor and vulnerable households with limited landholdings (less than 1 hectare), with a priority focus on women, youth, and refugees. It seeks to enhance their climate resilience and income-generating potential through technical support, grant resources, business mentoring, and marketing support.
- Sub-component 1.2: Value Chain and SME Development
This sub-component focuses on developing inclusive and efficient value chains for selected commodities through building the capacity of agro-processors and offtakers (SMEs/MSMEs) and improving the agricultural production efficiency and productivity of medium scale producers. The selected value chains include fruits (dates, olives, citrus), vegetables (tomatoes, peppers, zucchini, eggplants, okra), and Herbal Medicinal and Aromatic Plants (HMAPs) such as thyme and sage.

Component 2: Inclusive Rural Finance

This component is designed to improve access to finance for MSMEs, strengthen the technical capacity of Participating Financial Institutions (PFIs), and enhance financial literacy among rural populations.

- Sub-component 2.1: Improved access to finance for MSMEs
Access to finance will be facilitated through two primary channels. SME loans will be provided via the CBJ financing facility, with an average loan size of USD 70,000 (up to USD 140,000), targeting growth-oriented SMEs. For smaller enterprises, microloans will be available via the Agricultural Credit Corporation (ACC), capped at USD 14,000 (average USD 7,000), offering more affordable interest rates compared to traditional microfinance institutions (MFIs). A strong emphasis will be placed on including women and youth, with measures to lower access barriers, such as leveraging a partnership with the Jordan Loan Guarantee Corporation (JLGC) for the provision of loan guarantees as an alternative to collateral. A minimum of 30% of the total credit portfolio is earmarked for initiatives that directly contribute to climate adaptation or mitigation.
- Sub-component 2.2: Strengthened technical capacity of PFIs
Targeted technical assistance (TA) will be provided to PFIs to build their expertise in agricultural lending. This includes training on analysing agricultural businesses, applying appropriate risk management strategies, developing tailored loan products that accommodate agricultural specificities (like seasonal repayment schedules and grace periods), and utilizing "technological maps" for standardized assessment and monitoring of agricultural enterprises.
- Sub-component 2.3: Improved financial literacy among rural residents
Financial literacy programs will be developed, based on the G20/OECD INFE Core Competencies Framework for Adults, and tailored to the Jordanian context. A Training of Trainers (ToT) program will equip local facilitators to lead community-based financial education sessions. Innovative delivery methods, such as "teachable moments" integrated into daily life or other programme activities, will be employed, and materials will be disseminated nationally in collaboration with the CBJ. Where appropriate, the financial literacy program will be complemented with basic nutrition education modules to promote improved household decision-making on food spending, dietary choices, and overall well-being

Component 3: Policy Support and Programme Management

This component concentrates on engaging with policy development, generating and managing knowledge, and ensuring the overall effective coordination and management of the programme.

Policy engagement activities will be multifaceted. The programme will support the Government of Jordan in the mid-term review and updating of the National Food Security Strategy (NFSS) 2021–2030 and contribute to the design of the successor to the National Plan for Sustainable Agriculture (NPSA), which is set to expire in 2025. There will be specific policy engagement on nutrition, focusing on food safety and quality standards and addressing the needs of nutritionally vulnerable populations. REGEP-UP will provide substantive inputs, such as technical notes, learning events, and policy roundtables, for the formulation of the new agricultural strategy.

Programme Financing

The total estimated cost for REGEP-UP is US\$ 48.72 million, as illustrated below:

Component	IFAD loan	IFAD loan	IFAD ACC	ISDB	ACC (FI)	GoJ	Beneficiaries	Financing gap	Total
1. Resilient and inclusive value chain development	4.20	3.97	0.80	0.00	0.00	0.47	1.45	3.94	14.82
2. Inclusive Rural Finance	0.00	4.06	0.00	10.19	11.87	0.04	5.12	0.00	31.27
3. Project governance and Policy engagement	0.00	1.97	0.00	0.50	0.00	0.08	0.00	0.08	2.62
Total	4.20	10.00	0.80	10.69	11.87	0.60	6.57	4.00	48.72

Economic and Financial Analysis

The economic and financial viability of REGEP-UP has been assessed through the development of twenty-seven financial models. These include eleven models focused solely on agriculture—based on one-hectare plots—which served as the basis for building six comprehensive agricultural farm models. Additionally, ten models were developed for agribusiness and Micro/Small-Scale Enterprises (M/SMEs). These analyses indicate that the targeted programme activities are financially sound. The overall economic analysis confirms the programme's viability, with an estimated Economic Internal Rate of Return (EIRR) of 23.11% and a Net Present Value (NPV) of US\$29.11 million. Sensitivity analysis performed on these figures reveals that the programme's success is responsive to changes in key variables such as benefits and costs, potential delays in benefit realization, and adoption rates by beneficiaries, highlighting that sustainable value chain investments are essential for achieving the programme's objectives.

Organisation and Risk Management

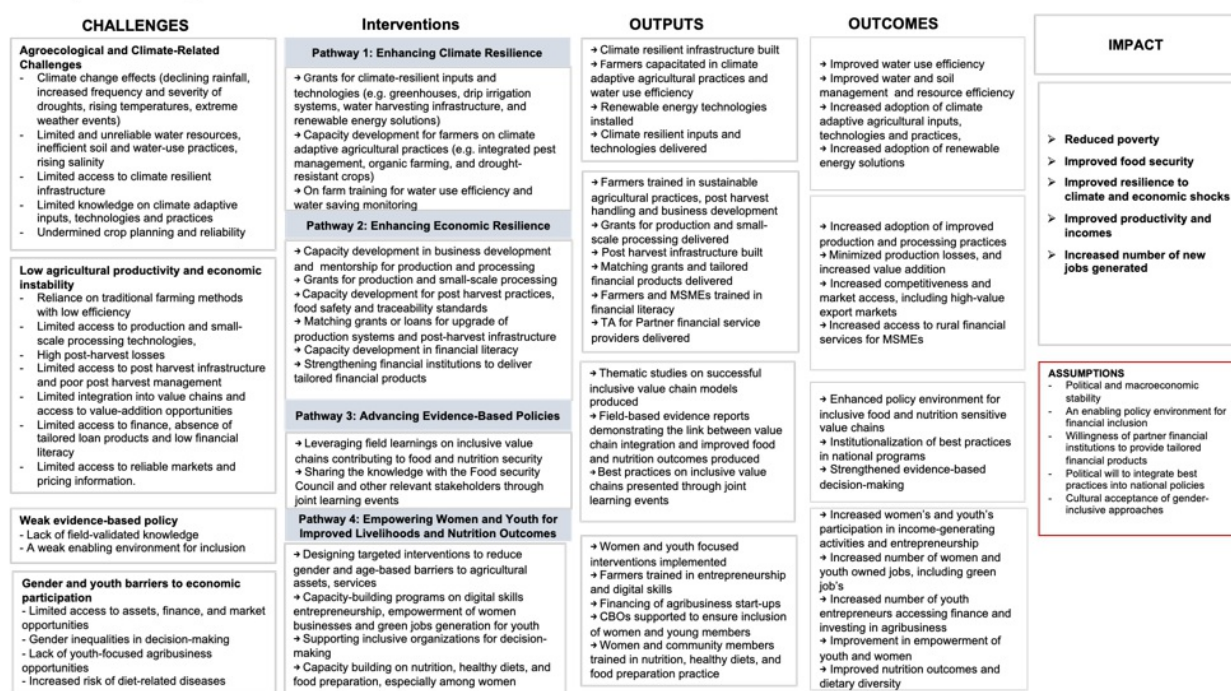
Organisational Set-up and Governance

The Jordan Enterprise Development Corporation (JEDCO) will serve as the lead implementing agency for REGEP-UP, leveraging on the solid track record from the predecessor programme REGEP. A programme management and coordination unit (PMCU), situated within JEDCO's structure in Amman, will spearhead the day-to-day operations and coordination. This unit will comprise a multidisciplinary team including a Programme Manager, Finance Coordinator, and various specialists and officers, and will be functionally structured to promote cross-component integration. Strategic oversight will be provided by the programme steering committee (PSC), chaired by the Ministry of Planning and International Cooperation (MoPIC) and including representatives from JEDCO, the Ministry of Agriculture (MoA), the Ministry of Environment (MoE), an implementing partner, and private sector entities. A Technical Committee, chaired by the Programme Manager, will include PMCU technical staff and representatives from key implementing partners to ensure operational coordination. Additionally, a Donor Coordination Committee, consisting of IFAD, the Islamic Development Bank (IsDB), and UN Women, will align external financial and technical support. Component-specific implementing partnerships will further reinforce programme delivery, engaging agricultural extension services and private sector partners for Component 1, and the Central Bank of Jordan (CBJ) and Agricultural Credit Corporation (ACC), for Component 2.

Risks and Risk Management

REGEP-UP incorporates a comprehensive risk management approach, detailed in the Integrated Programme Risk Matrix and SECAP Review Note. Key external risks include macroeconomic vulnerabilities such as Jordan's high public debt and youth unemployment, alongside climate vulnerabilities like severe water scarcity and rising temperatures. These are mitigated through grant blending, a focus on employment generation, and investments in water-use efficiency and climate-adaptive practices. Internal programme-specific risks related to design, institutional performance, and fiduciary systems are addressed through a simplified, resilience-focused design informed by past lessons, phased rural finance activities, recruitment of specialized staff, reinforced M&E, a centralized PMCU, robust internal controls, adherence to IPSAS, and regular external audits. Environmental and social risks, rated moderate, include potential increased water and energy use and agrochemical exposure; mitigation involves capacity building, E&S screening for loans, ESAP implementation by financial intermediaries, and a robust Grievance Redress Mechanism. Climate risks, also rated moderate, such as drought, flooding, and extreme heat, are countered through interventions supporting livelihood diversification, market access, enterprise development, and finance for climate adaptation. Start-up risks are managed through early recruitment of key personnel and synchronization with budget cycles.

Theory of Change



Summary of Logical Framework (see annex 2 for details)

	Name	Baseline	End Target
Outreach	1 Persons receiving services promoted or supported by the project		
	Males – Number	0	8485
	Females - Number	0	5657
	Young - Number	0	4243
	Total number of people receiving services	0	14142
	1.a Corresponding number of households reached		
Project Goal To reduce rural poverty, food insecurity and increase households' resilience to economic and climate related challenges in water scarce context	Women-headed households - Number	0	3535
	Households - Number	0	14142
	1.b Estimated corresponding total number of households members		
	Household members - Number of people	0	66467
	Reduction in the prevalence of food insecurity measured with FIES		
	Percent reduction - Percentage (%)	0	15
	Households reporting an increase in resilience measured by ATR)		
	Household - Percentage (%)	0	25
	Household - Number	0	3535
	Households experiencing upward economic mobility		
Development Objective To improve the productivity & incomes of the smallholders & generate sustainable employment through tailored support to actors in the selected value chains, including rural MSMEs, to strengthen their integration into competitive & resilient agri-food systems.	Household - Percentage (%)	0	20
	Household - Number	0	2828
	2.2.1 Persons with new jobs/employment opportunities		
	Males - Males	0	2200
	Females - Females	0	2200
	Young - Young people	0	1320
	Total number of persons with new jobs/employment opportunities	0	4400

Mainstreaming Themes

in line with IFAD's mainstreaming commitments, the programme intends to:

☒ Be youth sensitive

- ☒ Be gender transformative
- ☒ Be nutrition sensitive
- ☒ Include climate finance
- ☒ Build adaptive capacity

Chapter 1: Context

1.1 Project in brief

1. Programme in brief

2. The Rural Economic Growth and Employment Programme - Upscaling (REGEP-UP) will build on the lessons and achievements of the previous phase, by adjusting and upscaling successful engagements, targeting specific value chains, and extending outreach spatially and numerically. REGEP-UP will help create productive employment and income generating opportunities for the poor and vulnerable, including youth, women and refugees; and increase the adaptive capacities of local farmers to escalating climate change impacts.
3. Upscaling will be further achieved by forging robust partnership with both new and old organisations, all unified in their commitment to foster a climate resilient and inclusive rural development growth trajectory for the rural poor. New co-financiers/partners will include, but not be limited to, the Islamic Development Bank (IsDB) and UN Women, which the government has managed to engage, mainly through showcasing impressive outcomes of the REGEP. Both IsDB and UN Women^[1] are sharing the government's (and IFAD's) ambitions on delivering impactful rural engagements using a common platform thus reducing both onboarding and wider transaction costs. REGEP-UP has also been designated to form part of the Royal Initiatives that built on Jordan's achievements and implements His Majesty's vision for improving citizens' living conditions. REGEP-UP will have a duration six years with a total budget of US\$ 49m of which IFAD will provide US\$ 15m. The Jordan Enterprise Development Corporation (JEDCO, an autonomous government organisation) will lead the implementation as it did in the predecessor programme.

1.2 National or Regional Context

4. National Context

5. Jordan stands at an inflection point in its development journey. As a beacon of regional stability, it nevertheless faces critical challenges, including extreme water scarcity and the impacts of climate change.^[1] These issues heavily affect rural agricultural communities, whose livelihoods depend on diminishing resources. REGEP-UP aims to empower these communities by fostering sustainable livelihoods, food security, climate-smart agriculture, and access to financial services.
6. Jordan's national policy has not adequately supported the sustainable growth of the agricultural sector. Agricultural investment overall is about half that of the regional average. Irrigation water and pumping are incentivized, and the import tariff scheme encourages domestic production of crops that require significant water resources while the country doesn't have a comprehensive strategy for natural resources management.
7. The national poverty rate for Jordan was estimated at 15.7 percent in 2017–2018 with many more households near the poverty line and indications of increased poverty since 2019 (World Bank 2022). In June 2022 the Department of Statistics announced that [24.1% of Jordanians live in poverty](#) (DOS 2022). This means 2.7 million out of the 11.3 million are classified as poor. Using the \$7.9 poverty line, the World Bank estimates that 35% of the population live in poverty in the country. Rising poverty levels in recent years is associated to low employment, minimal income growth and rising living costs, which were further aggravated by the COVID19 pandemic.
8. Rural areas, where less than 8% of the population live, face more entrenched challenges, given that agriculture is a critical source of livelihoods for many rural inhabitants. In general terms, the sector only employs 2.5% of the population (2.2% men and 0.3% women). However, it is a major source of rural employment and income for smallholders and vulnerable groups including the sizeable refugee population from Syria (World Bank 2022). There are 640,000 refugees registered with UNHCR, with a similar estimate of those unregistered, thus bringing the total refugee population to around 1.3m (UNHCR 2024). Approximately 48 percent of employed Syrians work in the agricultural sector (World Bank 2022). Smallholder farmers mostly practice extensive rainfed agriculture. They produce vegetables, olives and fruits. Livestock owners are extensive and semi-intensive sheep raisers. Smallholder farmers with a larger landholding size (typically 3 hectares), are more likely to engage in irrigated intensive or semi-intensive production.
9. The smallholder sector in Jordan is highly heterogeneous, with uneven levels of poverty and vulnerability. More than 200,000 rural people are estimated to live in poverty. Only a small proportion of smallholders (less than 20% according to DOS 2017) derives their main income from agriculture. For most of them, agricultural production is mostly used for self-consumption as well as to complement the income from formal employment, pensions or seasonal labour. Agricultural wage workers are overrepresented among the poorest segments of rural societies. A survey carried out by ACTAD (2023) reveals that more than 80% of these people earn a monthly income, which is well below 100 JOD (NAF income poverty line) per household members, meaning that they endure precarious living conditions.

10. Modern commercial farms are owned by large investors and operated by farm managers, engaging large numbers of sharecroppers and lease farmers. Smaller, less capital-intensive farms are typically run by families. Around 75% of landholding size is below 10 du, which is the equivalent of 1 ha (DOS 2017). However, most small landholders (approximately 80%) farm less than 0.5 hectares (DOS 2017). This group account for 8% of the total cultivated area in Jordan. Conversely, large farmers owning more than 100 dunams,^[2] account for about 3% of the total landholders but control 65% of farming land in the country (DOS 2017).
11. **Food security and nutrition.** With a score of 12.0 in the 2024 Global Hunger Index, Jordan's hunger level is moderate. However, the GHI score has increased from 6.8 in 2016 to 12.0 in 2024, thus signalling a deterioration of food security in the country. The main drivers of raising food insecurity and malnutrition in the country are the protracted refugee crisis; the global food price increase, triggered by the recent COVID pandemic and the Ukraine crisis. The food price crisis, coupled with high unemployment rates have undermined the affordability of healthy diets. At the national level, Jordan is self-sufficient for the production of vegetables, fruits, eggs, fresh milk, olive oil and poultry meat. Moreover, subsistence and small farmers relies on their production to satisfy most of their food needs. However, Jordan heavily depends on imports to meet its needs of major food commodities, such as wheat, barley, corn, rice and pulses. Frequent climate-induced shocks, water scarcity, low productivity especially in rain-fed areas along with underinvestment in climate resilient agriculture further undermine the food security and nutrition situation in the country. The refugee population is overrepresented among the food insecure population as they lack the assets and resources to produce and/or access food independently. It is estimated (UNHCR 2022) that 16% and 45% of camp and out-of-camp refugees respectively are food poor.
12. Food system transformation in Jordan has been influenced by the expansion of supermarkets and fast-food outlets, altering local dietary habits and choices. Excessive intake of red meat, fish, and dairy has led to rising obesity, affecting nearly half of adults, with women being particularly vulnerable. Data from the Global Nutrition Report (2022) highlights that 37.7% of women of reproductive age suffer from anaemia, and 18.9% of women have diabetes. Undernourishment affects only 3% of Jordanians but is significantly higher among refugees, at 21%, with two-thirds at risk. Food loss and waste remain critical, with up to 30% wasted annually, exacerbating food insecurity and environmental stress.
13. Finally, food safety remains a growing concern in Jordan, particularly in informal markets and among small-scale producers, where limited regulatory oversight and poor handling practices can compromise food quality and safety standards. At the same time, food loss and waste across the supply chain—from farm-level inefficiencies to consumer-level waste—pose a significant challenge, with recent studies estimating that up to 30% of food is lost or wasted annually, exacerbating food insecurity and environmental stress.^[3]
14. **Gender.** Jordan ranked 123rd out of 146 countries in the Global Gender Gap Report for 2024 (World Economic Forum 2024). While the country has achieved remarkable results in closing the gender gap in education and health, huge gender disparities persist in political participation and employment. Recent data from DOS (2024) reveals that female unemployment stands at 33%, approximately 15 points higher than male unemployment (18%). The wage and asset gap between women and men is profound and especially evident in rural areas where women agricultural labourers can earn up to 50% less than their male counterparts. Even though women in Jordan are highly educated, prevailing social norms place the financial responsibility on men, and see women as dependents. This means that men are prioritised in access to employment opportunities and that they control most of the wealth and resources.
15. Research shows that many women are forced to give up their inheritance rights to male members of the family like brothers, leading to their economic disempowerment (UN Women 2019). Data on the ownership of resources (DOS 2024) reveal that women own less than 20% of land in the country. Climate change and increased land and water scarcity compound the situation and further magnify gender inequalities especially in rural areas, thus undermining women's vital role in local food systems. The incidence of women's headship in the country is higher than 20%, up to 25 in certain areas. Women headed households are more vulnerable to poverty as the loss of the male breadwinner can cause profound socio-economic distress.
16. **Youth.** The government of Jordan identifies youth unemployment as one of the country's main challenges. With half of the population in the 15-39 age group, the country has one of the youngest populations in the world. Unemployment rates among the youth population have increased dramatically following the COVID outbreak. Today, approximately half of the youth population in the age group 15-24 is unemployed (DOS 2024). The situation is even more severe for female youth, whereby 64% of girls (15-24) in Jordan are classified as unemployed (DOS 2024), albeit 60 per cent of young Jordanian women move on to higher education compared to only 40 per cent of their male counterparts (UNICEF 2021). Both male and female youth in Jordan are generally educated and connected to the global community. However, this does not translate in greater access to economic opportunities. Overall, in the past decade, Jordan's stagnating economy has failed to create jobs to absorb its rapidly growing youth population. Access to opportunities for Syrian refugee youth living in rural areas is even more challenging. Rampant poverty makes them particularly vulnerable to harmful or exploitative labour practices, especially in the agriculture sector (UNICEF 2021). Specific challenges facing refugee girls include limited mobility and forced or early marriage as well as exposure to the risk of sexual harassment in the workplace. Agriculture is seen as a strategic sector for employment and green job generation in rural areas (World Bank 2019, GIZ 2023). It is estimated that approximately 10.000 green jobs are generated in primary production. These are expected to raise to 11.000 by 2030 (Jordan Government 2022 in GIZ 2023). Data for the generation of green job opportunities in processing and value-addition are currently not available. However, it is projected that with the right incentives, and adequate capacity and skills development opportunities, the sector can absorb a considerable amount of the rural unemployed population.
17. **Climate vulnerability:** Jordan faces growing environmental and climate-related challenges, particularly in the agricultural sector. Long-term climate trends indicate a steady rise in average temperatures, coupled with increasingly erratic precipitation patterns. Rainfall is becoming more concentrated in fewer months, often resulting in intense, short-duration storms that heighten the risk of flash floods and limit effective water infiltration. Average annual rainfall across the country varies significantly—from approximately 100 mm in the eastern and southern Badia to around 700 mm in the northern highlands—rendering large areas

unsuitable for rainfed agriculture. Climate change exacerbates existing water scarcity by intensifying evaporation and reducing aquifer recharge. This is particularly critical in a context where Jordan has restricted access to transboundary groundwater sources and heavily relies on non-renewable aquifers. Overextraction of groundwater, especially in the Azraq and Amman-Zarqa basins, has led to declining water tables and deteriorating water quality. Meanwhile, on-farm water use efficiency remains relatively low, estimated at only 60%, primarily due to outdated irrigation infrastructure and poor water management practices. These conditions underscore the urgent need for improved water conservation, soil moisture retention, and climate-resilient agricultural practices to enhance resource efficiency and long-term sustainability.

18. Jordan's **national policies and strategies** collectively provide a framework for promoting agricultural value chain development, focusing on increasing farmer incomes, productivity, and resilience, while addressing critical constraints such as water scarcity, limited access to finance and technology, and market access challenges, *particularly* for the rural poor, women, and youth. In particular the National Food Security Strategy, and the National Strategy for Agricultural Development have become central to the government's agenda. These strategies aim to promote sustainable agricultural practices, improve rural communities' access to technology and resources, and ensure the optimal use of scarce natural assets like water and soil. Recognizing the profound impact of environmental factors, Jordan has also adopted a Green Growth National Action Plan, which emphasizes environmentally sustainable and socially inclusive economic growth, crucial for building resilience in rural areas. In response to rising nutrition-related health challenges, the government has also developed the **National Nutrition Strategy (2020–2030)**, which promotes healthy diets, addresses undernutrition and obesity, and strengthens nutrition governance and service delivery.
19. The state of **financial inclusion** in Jordan has seen notable progress since 2011 when only 26% of the adult population in Jordan had access to a transactional account, according to the WB Global Findex survey. In 2021, this figure almost doubled to reach 47%, bringing Jordan on a par with the average for the Middle East and North Africa (MENA) region. Yet the country lags significantly behind UMI countries where, on average, 84% of adults have an account. The levels of account ownership are even lower among vulnerable groups such as youth under 25 years old (29%), women (34%) and lower-income people (37%), highlighting the generational, gender and income gaps (to compare, the account ownership among 25+ year-olds is 53%, men – 59%, and higher-income – 54%). In terms of savings, while 24% of adults save money, only 4% do so using an account. This is significantly lower than in MENA and UMI countries where, respectively, 12% and 37% of adults save money using an account. There is a similar gap when it comes to the use of credit: 54% of adults in Jordan borrow, with only 9.9% borrowing formally (as compared to MENA and UMI with 11% and 35%, respectively). The usage of formal borrowing is especially low among women (6%, versus 13% men) and youth (4%, versus 12% among those aged 25+).
20. Jordan has been at the forefront of the Islamic finance in the region, with sound legal and regulatory frameworks in place for the operation of Islamic finance institutions, as well as a variety of providers and products available to individuals and businesses. According to *Number Analytics*,^[4] the share of Islamic banking assets by 2020 reached 62% of the total banking assets (an almost 7-fold growth from JOD 2.3 billion in 2010 to JOD 14.1 billion in 2020). Islamic finance products available include deposit accounts, financing products (e.g., Murabaha, Musharaka, Ijarah), investment products (e.g., Sukuk, Islamic mutual funds), and Takaful (Islamic insurance). In addition, the Jordan Loan Guarantee Corporation provides both Islamic (Kafala) and non-Islamic loan guarantee services to support various sectors, including small and medium-sized enterprises (SMEs).^[5]
21. While urban areas tend to have better access to traditional banking services, rural areas face specific challenges, including limited infrastructure, economic uncertainty, lower income levels or rural residents, as well as lack of collateral or credit history. On the supply-side, there is notable lack of appropriate loan products meeting the specifics of agricultural businesses. In addition to these challenges, limited financial literacy among farmers and rural entrepreneurs further exacerbates the difficulties associated with agricultural lending in Jordan. Many individuals lack the necessary knowledge and understanding of financial concepts, such as budgeting, saving, and debt management, which are critical for making informed financial decisions and effectively utilizing available financial products and services.

1.3 Strategic Alignment

22. REGEF-UP is aligned to government endorsed UNSDCF (2023-2027) and contributes to SDGs 1, 2, 5, 10, and 11. It is also fully aligned with IFAD's country strategy note and its two core objectives of i.e. improving agricultural productivity and smallholders' resilience, and ii. strengthen value chain effectiveness by empowering smallholders and improving their access to markets. It is also aligned to the strong youth emphasis in the note and the need to leverage innovation for increased youth engagement.
23. REGEF UP is especially aligned to the country **Economic Modernization Vision (2022)**. This aims to create over 1 million jobs by 2033, with a focus on sectors like digital technology, healthcare and sustainable resources. This plan includes a dedicated strategy to double women's economic empowerment through entrepreneurship and enhance employment and green job creation for the youth, alongside national efforts to support the care economy. All these ambitions are core to REGEF-UP's objectives.
24. REGEF-UP is fully aligned with **Jordan National climate change adaptation plan (2021)**, the **National climate change policy 2022-2050**, the **National water strategy (2023-2040)** and the Nationally Determined Contributions (NDCs) through improving water use efficiency and sustainable agriculture practices in the horticulture sector, supporting adaptive capacities of farmers and ecosystem to drought events and water scarcity. The programme also aligns with Jordan National action plan to combat desertification (2015-2020) and Jordan National Biodiversity strategy and action plan (2015-2020). The programme aligns with the COSOP SO1: Improve agricultural productivity and smallholders' resilience to shocks through efficiency upgrades.
25. The programme's rural finance activities are closely aligned with Jordan's **National Financial Inclusion Strategy (NFIS) 2023–2028**,^[1] as they emphasize expanding access to finance for underserved groups and sectors. Specifically, the programme will focus both on microlending as well as on MSME lending – targeting the “missing middle,” where loan amounts between JOD 10,000 and JOD 100,000 often fall outside the reach of both microfinance institutions and traditional banks. In addition, the

programme supports the NFIS's core priorities by promoting financial inclusion for women and youth and advancing financial literacy.

26. REGEF UP is aligned to the **National Food Security Strategy** 2021-2030 which recognises that the agricultural sector is a major pillar of food security, particularly in a water-scarce country. The strategy highlights that food security is increasingly becoming a major national issue in light of urbanisation, the refugee crisis, international food price rises and fluctuations, and climate change impacts. The formulation and implementation process of the Strategy constitute an opportunity to build the country's resilience in the face of unprecedented shocks and economic slowdowns. REGEF-UP is also aligned with Jordan's National Nutrition Strategy (2020–2030), the national response to non-communicable diseases (NCDs), and the country's Food Systems Transformation Pathway, by promoting sustainable food production, improved access to nutritious foods, and climate-resilient value chains that contribute to healthier diets and rural livelihoods.
27. The **Youth and Women empowerment strategy in the water sector (2025-2028)** aims to build leadership through education, innovation, and active participation in sustainable water management. It emphasizes skill development, involvement in community and policy-making processes, and integration with national strategies. Rooted in the 2023 National Dialogue on Water Harvesting, it aligns with Jordan's Economic Modernization Vision and National Water Strategy 2023–2040.
28. The **National Strategy for Women in Jordan** (2020-2025): This strategy promotes women's rights and empowerment, aligning with the Jordanian Constitution and national plans like Jordan 2025 and the Renaissance Plan. It also adheres to international commitments such as CEDAW, the Beijing Platform for Action, and the SDGs Agenda 2030.
29. The **National Youth Strategy (2019-2025)** recognizes the vital role that the youth play in building a prosperous country and address the multiple cultural, social, political and economic obstacles faced by the youth in the country, with a special focus on the high rates of unemployment and underemployment. Close attention is paid to human rights and the civil and political rights of young people, women, persons with disabilities and of all social strata.
30. <https://www.afi-global.org/wp-content/uploads/2024/10/National-Financial-Inclusion-Strategy-2023-2028.pdf>

1.4 Portfolio and Lessons Learned

31. IFAD's and GoJ has 42 years of partnership including nine programmes totaling US\$ 254 million. The engagements have focused on enhancing smallholder agriculture productivity, promoting climate-resilient agricultural practices and improving market access and value chains.
32. These experiences have generated a wealth of lessons. REGEF-UP builds on the achievements of the first phase of REGEF, below is a brief description of the earlier programme's approach, results, and lessons learned.
33. Overall REGEF had many successes which REGEF-UP will build on. Perhaps most important is that value chains need secure and sustainable access to water, markets and finance, but the approach in which this is provide are key determinants of the level of success.
34. At the **overall level** REGEF and the governance set-up has proven an effective development catalyser. The project has thus reached 20,303 individuals, significantly surpassing its target of 14,688, marking a 138% achievement rate. Moreover, it has been particularly successful in reaching women, with 12,674 female beneficiaries, which is 169% of the target. Youth participation has also exceeded expectations, with 6,326 young beneficiaries, representing 183% of the target. Finally, a total of 7,476 new jobs were created, achieving 128% of the end target. Women secured 54% of these new jobs. The 17 MSME innovation grants alone generated an average of 7 jobs each, creating a total of 124 jobs.[\[1\]](#)
35. However, there are also challenges at the overall level: The government's contribution for the additional financing stands at 55%, as of end-2024, of the amount agreed upon at the design stage. The project has thus underachieved in its outreach to Syrian refugees. SCG membership for Syrian refugees stands at 616, which is only 51% of the target of 1,200. The participation of refugees in FFS represents only 5% of the total.[\[2\]](#) Also the experience with FFS has also been mixed. Outreach for training in climate-resilient practices was low, reaching only 631 beneficiaries, which is 23% of the target. This was mainly attributed to delays by the FAO in updating the FFS curricula.[\[3\]](#)
36. **Crops and Value Chain Selection:** In the previous programme the decision on initial priority crops and associated value chains was protracted and caused delays up to four years. In REGEF-UP criteria for selection will include **high value per drop** and pre-selected priority crops. While allowing for adding crops during implementation is possible, they should continue to meet the high water-efficiency criterion, which is key in a water-scarce country like Jordan. Experience from REGEF I showed that the initial wide targeting led to adding some crops less justified in terms of water efficiency. Market studies and consultation with institutions like NARC are important for selecting priority crops. However, crops with high value per drop proved to have high success rates. E.g. the economic water productivity is high for especially for greenhouse cucumber (20 JOD/m³), tomatoes (24 JOD/m³) and pepper 12 JOD/m³).[\[4\]](#)
37. Improving value chain actors' **access to markets:** The old REGEF approach of seeking Global GAP certification for smallholder farmers is generally not economically viable and the results were disappointing, with very few actually obtaining one.[\[5\]](#) Hence REGEF UP will have stronger focus on the domestic market (traditional and specialty shops, direct consumer sales, city markets) rather than complex export market schemes. Targeting supermarkets has had mixed results. Support should prioritize labelling and compliance with local food standards, as this is most effective in helping smallholders differentiate their products and attract buyers or achieve higher prices. This has also proven successful in the first phase of REGEF. Market development and value chain linkages established during a programme should ideally not require continued involvement of public agencies for them to

lead to further opportunities.

38. Another lesson from REGEP is that the provision of physical assets for higher water productivity alone is not enough. Hence REGEP UP will be providing the necessary pre- and post-installation assistance and integrating water accountability as a central component of the intervention. This means ensuring that all water-saving infrastructure—such as improved irrigation systems, water storage units, or soil moisture sensors—is accompanied by practical tools and training that enable farmers to design, operate and then measure the actual volumes of water used with associated costs and productivity gain.
39. By introducing **water measurement systems** at the farm level and promoting cost-benefit analysis, farmers can make informed decisions about crop choice, best technologies, and irrigation scheduling. . More importantly, this approach facilitates a clear accounting of the economic and agronomic benefits derived from water interventions, thereby strengthening ownership, efficiency, and sustainability. Embedding water accountability also enables programme teams and financial partners to track results more effectively, improve targeting of support, and document impact in terms of both water productivity and climate resilience.
40. Small producers often do not fully understand the value of investments and how it can improve their production potential and incomes and hence, effective capacity building on both production practices but also basic business and financial literacy would enhance the overall value of each investment. For effective grants management, more data needs to be captured from selection to implementation of the grants to effectively monitor the performance of each investment as well as to take informed decisions.
41. For the **rural finance**, REGEP's success in providing loans to a diverse range of agricultural SMEs and microenterprises, with a significant percentage lent to women and youth, highlighted the importance of inclusive lending practices. By extending lines of credit to commercial banks and MFIs and managing them through the Central Bank of Jordan (CBJ) lending facility, the programme ensured access to formal financial services.
42. REGEP underscored the importance of partnering with CBJ to reduce risks. CBJ developed an onlending mechanism that shifted repayment responsibility to banks, ensuring loan repayments even when MFIs faced challenges. This partnership leveraged CBJ's regulatory oversight to meet programme targets and maintain loan quality.
43. REGEP highlighted the need to invest in awareness, technical assistance, and capacity building before introducing financial products or expanding to new markets. Skipping these steps led to disbursement delays and absence of suitable loan products tailored to agriculture, like seasonal repayment schedules, and hindered the sustainability of rural finance interventions.
44. A REGEP impact study by JRF shows that **grant**-supported micro-businesses significantly contributed to job creation. Results indicate 74% created new jobs, with 76% generating 1 to 5 positions. Both group and individual grants proved effective in fostering employment, particularly for women and youth in green enterprises.
45. Under REGEP, women accounted for more than 60% of beneficiaries, highlighting the programme's main focus on **gender inclusion**. Women in grant-supported businesses have strengthened their agency and enhanced their social standing in their communities and broader rural economies. However, based on the findings of the programme's impact assessment, JRF recommends expanding gender-focused entrepreneurship models, including more mentorship, and BDS to further expand and upgrade women-led businesses. Staff from JEDCO also remarked the need to more systematic integration of norm-change messages in programme-supported activities.
46. While REGEP has effectively implemented its strategy, **stronger pro-poor and youth-focused criteria are needed** to better target these groups. Linked to this is the evidence that land size is not a reliable poverty proxy and should be used in combination with other criteria and poverty and vulnerability markers. This is due to fragmentation of inherited land, absentee land owners, and reliance on non-farm income by most rural households. This is due to land fragmentation, absentee ownership, and reliance on non-farm income.
47. Finally, a key lesson from REGEP is that for the **saving and credit groups** (SCG) to be sustainable, their formation needs to be demand-driven with strong social capital. Quantitative data is positive both somewhat deceptive: 589 SCGs were established, meeting 100% of the revised target, with a membership of 8,818, which is 110% of the goal. Notably, 185 SCGs are led by women, a 463% achievement against the target of 4. However, evidence from the PMCU, supervision missions and interviews with SCG member indicate that this has not been the case and group formation has been largely driven by the grant incentive, undermining long-term sustainability. Hence REGEP-UP will work with pre-existing groups. Forming new groups without genuine member interest pose challenges. Criteria for formation include common interest, similar economic status, and willingness to save, and prioritising certain groups like women, youth, and small-scale farmers.

1.5 Rationale and IFAD's comparative advantage

48. Jordan is one of the most water-poor countries in the world and climate change is exacerbating the situation hurting especially the poor. Partly therefore, the incidence of poverty in Jordan has substantially increased reaching 24% in 2022^[11].
49. Poverty incidence and the poverty gap tend to be higher in rural areas, while in absolute terms, most poor Jordanians live in the densely populated governorates of Amman, Irbid and Zarqa. However, the highest incidence of poverty is found in the Southern Governorates, whereas the North is the area with the highest concentration of Syrian refugees,
50. Jordan has one of the largest youth populations in the region (63% under 30) and the highest unemployment rate is in rural areas (24%). The participation of the working age population in rural areas' labour force is low (35%) and unbalanced with female participation which is just 15%.

51. Despite accounting for 99% of all registered businesses and 60% of formal employment, MSMEs contribute less than 30% to GDP and under 10% to exports, which reflects significant structural barriers, including limited access to affordable finance. The share of formal borrowers is low at 9.9%, and even lower among key target groups such as women (6%) and youth (4%). The “missing middle” of the MSME sector has been identified in the National Financial Inclusion strategy as a key financing gap, where loan amounts between JOD 10,000 and JOD 100,000 often fall outside the reach of both microfinance institutions and traditional banks. These figures justify investments through well-targeted rural finance instruments.
52. IFAD is well positioned to leverage the insights from its ongoing programmes in Jordan and from its global knowledge repository, to promote inclusive and sustainable rural development (incl. water management) through promoting climate smart and water-efficient agricultural practices, leading to increased adaptive capacity, sustainable food systems, mentorship and jobs creation as well as access to financial services.
53. Through REGEF, the government and IFAD have established a robust platform for translating these ambitions into reality. By upscaling, reiterative tweaking and more selective promotion of resilient and restorative agronomic practices and value chains, REGEF-UP will furthermore increase the outreach and impact achieved during the previous phase.

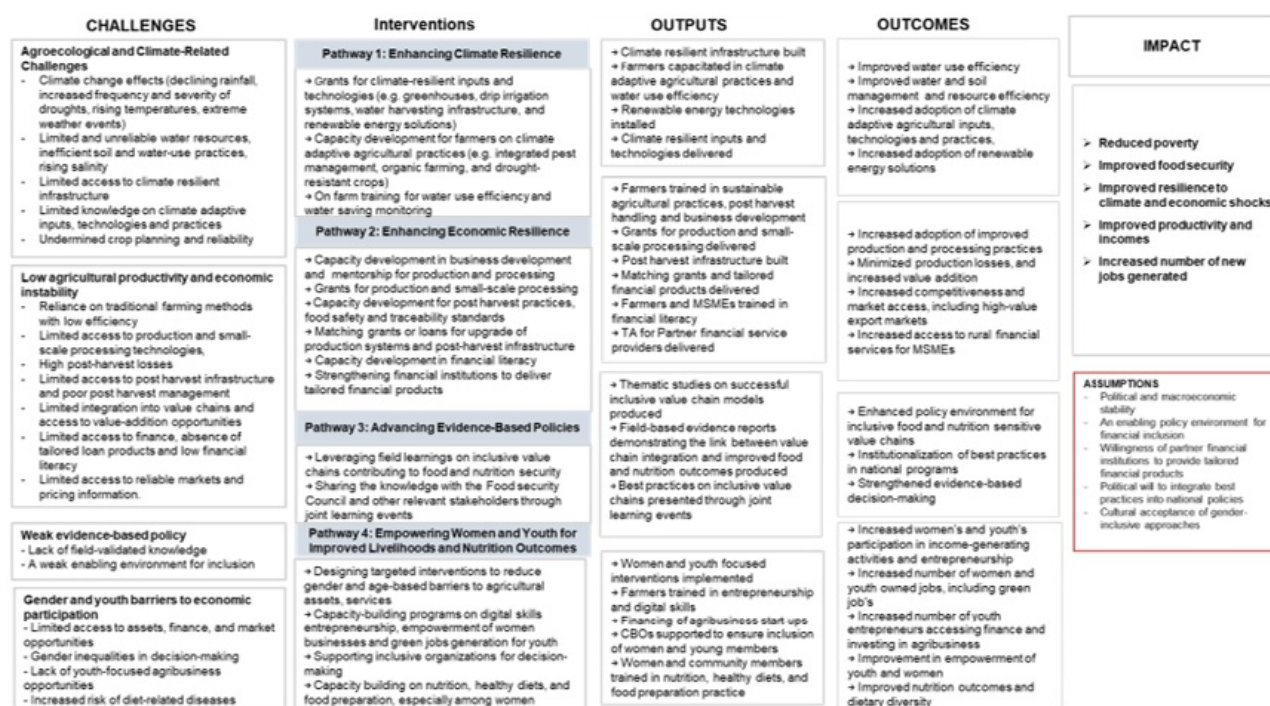
Chapter 2: Project/Programme Description

2.1 Theory of Change

54. Farmers in Jordan face multidimensional and location-specific challenges shaped by the country’s agroecological zones, which define viable cropping systems, water availability, and farming practices. The predominantly arid climate, limited water resources, and intensifying climate change with declining rainfall, droughts, rising temperatures, and extreme weather events exacerbate vulnerabilities and undermine crop reliability and planning.
55. Traditional farming methods, limited access to climate adaptive technologies and practices, and low innovation uptake limit productivity growth. Market access remains weak, with farmers struggling to obtain reliable price information and invest in value-added opportunities. Limited access to storage and processing infrastructure, combined with poor post-harvest management, lead to high losses and reduced quality and export competitiveness.
56. Access to finance remains a critical barrier for farmers, particularly women, youth, and rural MSMEs, who often lack the investment capital to scale their businesses. This gap is compounded by a weak enabling environment, low financial literacy, and the absence of tailored loan products. Structural barriers and discriminatory social and gender norms prevent full participation of women and youth in climate resilient agriculture, processing, green enterprise development and decision-making, thus fuelling unemployment, malnutrition and vulnerability among them. Furthermore, poor diet diversity, partly due to a lack of nutrition knowledge, and weak affordability of healthy diets further drives diet-related deficiencies especially among women, girls and the refugee population.
57. At the same time, Jordan presents significant untapped potential: high-value crops like dates, olives, fruits and vegetables offer both domestic and export potential and benefits from seasonal windows to supply European and Gulf markets during the winter.
58. The development challenges addressed by REGEF UP centre around increasing rural poverty, food and nutrition insecurity exacerbated by economic and climate related stressors. These challenges are further compounded by the inability of many farmers and agribusinesses to effectively participate in the agricultural value chains due to limited access to finance, adaptive practices, technology, infrastructure, and markets, ultimately restricting their profitability and resilience.
59. The theory of change assumes that through the interconnected pathways described below, REGEF UP will improve the productivity and profitability of the rural poor and MSMEs, enhance their adaptive capacity and market access and generate sustainable employment, fostering their integration into competitive and resilient agri-food systems. By addressing constraints and opportunities along the entire value chain from input supply and production to processing, marketing, and market access the programme will strengthen the functioning of local food systems. This will ultimately result in increased resilience against economic and climate shocks reducing poverty and improving food and nutrition security.
60. **First Pathway – Climate resilience:** If small scale farmers, including women, youth, the refugee population and rural MSMEs receive grants for adopting climate-resilient inputs and technologies for farming (e.g. greenhouses, drip irrigation systems, water harvesting infrastructure, and renewable energy solutions), and participate in targeted trainings in climate adaptive agricultural practices (e.g. integrated pest management, organic farming, and drought-resistant crops), then by adopting climate resilient practices, they will improve soil and water management, enhance resource efficiency leading to more sustainable agricultural production.
61. **Second Pathway – Economic resilience:** If small-scale farmers, including women and youth, engaged in priority value chains, such as vegetables, fruits and olives, dates and small ruminants, receive hands-on and digital training in sustainable agricultural practices, nutrition and business development, and are equipped with affordable small scale production and processing technologies, so that they can be better integrated in local food systems and value chains, then their productivity, income, and ability to engage in local markets will improve. If these value chains are oriented toward nutrient-rich commodities (e.g. legumes, vegetables, etc), they will contribute not only to economic gains but also to the supply of healthier food options at community and national levels.

62. If commercially oriented farmers and rural MSMEs, engaged in high-value commodities (e.g. dates, grapes, pomegranates, olives, and vegetables) receive tailored capacity development in agribusiness management, and if they are supported with matching grants or loans to scale up climate-resilient production systems and upgrade processing infrastructure, then they will enhance value addition, reduce post-harvest losses, operate at scale, and generate employment opportunities both in their companies (farmers or agro-processing) and among suppliers, many of which will be smallholders. Improved post-harvest practices and compliance with food safety and traceability standards will unlock availability of healthy foods in local markets as well as high-value export markets.
63. Additionally, if financial institutions are supported to design tailored loan products and are provided with technical assistance to improve their services, then commercially oriented farmers and rural MSMEs will gain improved access to investment capital, enabling them to expand operations, modernize their agribusinesses and generate jobs in rural areas.
64. **Third pathway - Policy engagement:** If on-field data is captured, learnings are leveraged and field-validated knowledge on inclusive and sustainable value chains contributing to food and nutrition security is generated and shared through knowledge platforms, technical forums, and policy briefs, then it can influence national strategies and policies. Evidence-based engagement will support policy reforms on food safety and quality standards, agri-finance incentives, inclusive business models in the selected value chains and water-saving technologies. If this evidence is disseminated through knowledge-sharing platforms, and technical forums, then it will facilitate stronger engagement, fostering a more inclusive policy and regulatory environment. The targeted studies and generated evidence will particularly contribute to the NFSS and HCFS, inform the development of the upcoming agriculture strategy and strengthen the institutional coordination.
65. **Fourth pathway - Women and youth empowerment and improved nutrition outcomes:** If targeted interventions, such as training, grants and mentorship for enterprise development, including support for green enterprises and green job opportunities, are implemented to address gender and age-specific barriers through improved access to productive assets, employment opportunities, adaptive practices, labour-saving technologies and entrepreneurship development, then women's youth's and refugee's roles in local food systems will be strengthened as well as their integration into more profitable value chains. This will lead to increased household incomes, enhanced competitiveness and market access for women and youth led agribusinesses. And if gender norm dialogue sessions targeting all family members are implemented alongside the creation of a cadre of leaders, mentors and role models among women entrepreneurs, then this will contribute to strengthening women's agency and decision-making capacity resulting in greater participation of women and youth in producer organizations, and decision-making processes related to resource management.
66. If dedicated training on nutrition, healthy diets, and food preparation, especially among women, is implemented and if value chains are strengthened with special attention to nutrient-dense crops and products to promote the production, processing, and consumption of diverse, nutrient-rich foods, then dietary diversity will improve.
67. Overall, these transformative outcomes depend on the general assumption that political and economic stability will prevail in Jordan. It is also assumed that a supportive policy environment for financial inclusion will be in place, and that partner financial institutions will be willing to design and offer appropriate financial products tailored to the needs of smallholder farmers and MSMEs within the targeted value chains.

68. **Figure 1: REGEUP Theory of Change**



2.2 Targeting Strategy

69. The programme will target all 12 governorates covering the irrigated, rainfed and the agropastoral zones where the selected crops value chains are cultivated and where poverty clusters have been identified. A recent poverty analysis, based on the MPI Index shows that the districts with the high incidence of MPI poverty (MPI above 0.2) are concentrated in the Southern governorates of the country. These include: Ma'an, (Al-ruwaished, Ma'an and Al Jafer districts); Karak (Ail and al Qatraneh) Aqaba (Al Qwara District) and Tafila (Al Hasa district). However areas with specific development challenges are also found in the Amman governorate (Al Jeeza district) and in the Northern governorate of Ajloun (Al-Hashimiya district).
70. Geographic targeting will be based on a detailed scoring system, that will combine different indicators and granular district-level data. These include the MPI index, youth unemployment's rate; presence of refugees; agroecological context (e.g. rainfed, irrigated and agropastoral areas); productive potential and nutrition-sensitivity for the selected value-chains that will be assessed based on a preliminary value-chain study.
71. With a rural population of approximately 900,000 people, which account for 8% of the total population, the programme will target 14142 rural household. These comprise different echelons of the rural society:
72. **Poor rural households (35%).** This includes landless and semi-landless families (farming less than 0.5 dunams) who live in poverty. They lack a stable source of income and depend primarily on seasonal wage labour, home-based micro business and social transfers. Refugees, NAF beneficiaries, women household heads, and persons with disability are the main groups falling under this category. They will benefit mostly from sub-component 1.2. as well as from wage employment generation in primary production and processing.
73. **Vulnerable smallholder farmers (55%).** These are farmers with **small** landholding, typically not exceeding 1 hectare. Only a few own their land. The majority access land through leasing or tenancy arrangements. For many, formal job or the pension of the household heads are the primary source of family's income. Limited income sources and low paid jobs means that they often live slightly above the income poverty line in the country^[1]. Women from these families are often unemployed and depend on the income of the male breadwinner. Agriculture (both open field and intensive) is used for self-consumption and to complement the low family income. They often purchase water from different service-providers. However, shortage of water and unpredictable rainfall patterns undermine their agricultural livelihoods. Many families from this group will be targeted under sub-component 1.1. However, many of them will also benefit from access to microfinance (Component 2).
74. **Commercially oriented smallholder farmers (10%).** These are relatively better-off families, with larger landholdings typically between 1 and 3 hectares. Only a few of them are full time farmers, and the majority rely on stable income sources from formal employment. Though they usually practice intensive, and commercially-oriented agriculture, using modern irrigation technologies, but use poor production techniques, have limited access to finance for inputs and improving infrastructure and have limited participation in lucrative markets, often selling to middlemen or local markets. Yet, they have the greatest potential to respond to improved operating and market conditions. Full time farmers as well as young farmers who are willing to invest in agriculture, will be prioritized under this group. They will mostly benefit from technical support and access to matching grants under sub-component 1.2. for more structured value-chain development as well as rural finance under component 2. This group also includes **50 Small and medium entrepreneurs** that will be targeted under sub-component 1.2. to develop grading and processing infrastructures for the development of inclusive and resilient value-chains.
75. Target group 1 and 2 are the priority beneficiaries under REGEUP. Women and youth from the three target sub-groups will also be prioritised, to ensure that they account respectively for 40% and 30% of the total beneficiaries. Age-focused criteria (18-30) to identify the youth are aligned with the national definition. Under component 2, a broader age range will be adopted (18-40). The refugee population will also be targeted (15%) alongside Jordanians people in host communities.
76. **Other actors.** Medium and larger-scale producers and processors will partner with the programme to develop supply chain arrangements and inclusive business models benefitting the smallholder sectors and generating employment in rural areas. They will access larger size (non-subsidised) commercial loans under Component 2 and will receive training and guidance on inclusive value-chain development, labour standards, occupational health and safety and food quality and safety standards, also in accordance to SECAP procedures and requirements. A plan for inclusive business models demonstrating linkages with the smallholder sectors and the expected impact on employment generations should be submitted as part of the loan application.
77. Both target SMEs and commercial partners will be requested to develop accurate plans for inclusive business models demonstrating linkages with the smallholder sector and the expected impact on pro-poor employment generation as part of the grant and loan application processes.
78. **Targeting strategy.** The different target groups will be identified and targeted through the implementation of eligibility criteria. Simple criteria and categorical targeting (NAF beneficiary, refugees and women headship) will be used to rapidly identify and prioritize the poor and vulnerable families who can benefit from sub-component 1.1. NAF datasets (Unified Registry) will also be used to validate the list of beneficiaries based on robust poverty criteria. Contracted service-providers will screen and profile beneficiaries by combining different data and poverty proxies (e.g. type of employment/unemployment, income, number of family members/dependency ratio, gender, age, disability, land size etc.) as part of the application and selection process. The programme's digital database system will also facilitate the profiling of beneficiaries and monitoring of the targeting performance especially for component 1. Targets for women and youth are set across all components and detailed in the Gender and Youth Action Plan (PIM), to be strictly monitored by the Programme's M&E officer and focal point for mainstreaming themes. Finally, the project will ensure that employment generation through value-chain development activities will be closely monitored and that all value-chain actors including commercial partners comply with existing labour and OSH standards. Engagement with Ministry of Labour, NAF and Ministry of Social Development will ensure access to poverty and employment data and compliance with national labour standards.

79. Selected crops and value chains are distinctly pro-poor, as they are cultivated in areas with high densities of rural poor and vulnerable farmers who typically work on small rented plots with minimal capital. These crops present significant potential for quick returns on investment, fostering positive cash flow. The primary production zones for fruits and vegetables are concentrated in the north and northwest regions of the country, including the Jordan Valley and Northern Highlands, where the majority of Jordan's population resides. Furthermore, these selected crops offer substantial opportunities for income generation in both production and processing. They can be leveraged to create business and wage employment, particularly benefiting women and youth, by providing relatively high returns for each unit of labour employed. Lastly, target crops have a high nutrition value and present opportunities for nutrition-sensitive value-chain development.

2.3 Project/Programme Objectives

80. The programme is a response to escalating climate change which, in a context of already extreme water scarcity, threatens the livelihoods of the rural poor as they are the ones with the lowest capacity to adapt. The overall goal is thus to reduce rural poverty, food insecurity and increase households' resilience to economic and climate related challenges in water scarce context.
81. The development objective provides more operational guidance to REGEF-UP and aims to improve the productivity and incomes of the smallholders and generate sustainable employment through tailored support to actors in the selected value chains, including rural MSMEs, to strengthen their integration into competitive and resilient agri-food systems.
82. Four outcomes will underpin the achievement of both the overall goal and the development objective:
- Improved soil and water management practices, and adoption of climate-resilient inputs and technologies to enhance climate adaptation and resource efficiency.
 - Increased adoption of improved and nutrition-sensitive production and processing technologies and practices to support market-based agribusiness development, enhance smallholders' market access, and improve dietary diversity.
 - Improved access to inclusive finance for MSMEs strengthening their integration into value chains
 - Influencing policy and informing programme governance through data capture, knowledge generation, and advocacy on inclusive and sustainable value chains that contribute to food security.
83. Duration: REGEF-UP will have a duration of six years scaling up successes in all 12 governorates of Jordan.

2.4 Component, Sub-component and Activities

84. The programme will include three components:
- Component 1: Resilient and inclusive value chain development
 - Component 2: Inclusive rural finance
 - Component 3: Policy support and programme management.
85. **Component 1. Resilient and inclusive value chain development**
86. Under this component REGEF UP will ensure the development of agricultural value chains (e.g. vegetables, HMAPs, peppers, and fruits - olives, palm dates and citrus) that will contribute to increased household incomes, improved livelihoods and access to nutritious foods. This will be achieved through incentivising the adoption of sustainable and climate adaptive agricultural production practices, inputs and technologies to strengthen climate resilience in water scarce environments. These set of activities will also enhance sustainable family-based enterprises in food processing and improve small-holders access to markets, generate employment in rural SMEs and support value addition in longer value chains that are fully commercial.
87. This component includes 2 sub-components: 1.1. Microentrepreneurs production and processing and sub-component 1.2. Value chain and SME development
88. **Subcomponent 1.1. Microentrepreneurs production and processing**
89. This subcomponent targets poor and vulnerable households with limited landholdings (less than 1 hectare), including those who are semi-landless. Women, youth and refugees are priority target groups under this activity stream. The main outcome of this intervention is the development of viable and sustainable farm and food-processing microenterprises. More specifically the sub-component will enhance the climate resilience and income-generating potential of poor and vulnerable households through technical support, grants resources, business mentoring and marketing support. The expected results include: i) 3000 beneficiaries trained in low-cost water efficient and sustainable agricultural practices, ii) 2,500 beneficiaries trained in small-scale agri-processing and business management, iii) Delivery of 1040 grants, for water-efficient and small processing infrastructures, iv) grantees mentoring and coaching for sustainable micro-enterprise development. A digital monitoring system will be set up to track investments particularly beneficiary information, type of investment, business model (expected return, fixed, variable costs etc.), geo-locations, trainings received to supporting effective monitoring and management of these investments.
90. **Activity 1.1.1 Climate resilient production.** The programme will promote pro poor climate-resilient agricultural practices, addressing the projected 20–25% decline in water availability due to climate change, overexploitation of groundwater, and low irrigation efficiency. Capacity building will be tailored to specific agroecological zones, with a focus on both irrigated and rainfed production systems. In irrigated areas such as the Jordan Valley and Highlands, the training will emphasize the improvement of economic water productivity by introducing low-cost practices and technologies for water-saving, nutrient management, organic farming, mix and drought-tolerant cropping, and simple protected agriculture systems. In rainfed zones including wadis, highlands, and agro-pastoral regions, the training will cover small field-level rainwater harvesting techniques, runoff control, and soil conservation practices aimed at improving moisture retention. Technicians providing support will use regular soil and water

analysis, particularly for irrigated farms, to improve decision-making around input application and resource use.

91. Training activities will be implemented by a selected implementing partner through 150 model plots, with a strong emphasis on experiential learning. Practices will be tested on farmers' model fields in collaboration with other beneficiaries, enabling real-time monitoring of outcomes and cost-effectiveness to encourage broader adoption.^[1] Over the course of five years, approximately 250 training sessions will be delivered, building on and enhancing already developed training materials from previous REGEF. The programme will also leverage on the pilot demonstration greenhouses established under the previous REGEF to expand learning on organic and integrated pest management practices. Peer learning will be promoted through visits and experience sharing with previous REGEF beneficiaries who have successfully adopted organic farming methods. 15 e-learning videos will be developed by the selected implementing partner for activity 1.1.1 on specific climate smart production technologies, business management and other topics in coordination with the programme KM specialist.
92. **Activity 1.1.2. Capacity development for food processing and nutrition.** Women-targeted food processing training will integrate a focus on nutrition and include specific sessions covering: the nutrition value and content of different processed foods (jam, thyme, pickles); food quality and safety standards for different processing practices, packaging; and labelling. The training will also include specific modules on business management, marketing (including digital marketing) and business registration. Successful women food processors from REGEF 2 will also be invited to share their knowledge and experience on food processing practices and marketing of processed food. These activities will also contribute to enhance the availability of home-based healthy food in local markets and disseminate a culture of healthy eating (versus consumption of junk food).
93. In both curricula, beneficiaries will also strengthen their foundational understanding of economic principles that apply to agricultural production and small-scale processing (including budgets, farm records, tracking performance over time, and evaluating the profitability using simple cost-benefit analysis tools). The curricula will also address issues of intra-household dynamics in planning and budgeting, including attention to budgeting for healthy diets. Guidance will also be provided on how to develop a simple business proposal and access finance for productive investment (activity 1.1.3). Gender norm dialogue sessions and nutrition education will be delivered in both platforms.
94. **Activity 1.1.3 Grants for water efficient production and small scale processing** This will establish a dedicated grant fund to finance i) small-scale investments to support water efficiency at farm level to reduce water pressure in an increasing water scarcity context and ii) small equipment and facilities to support home-based processing business benefitting poor and vulnerable smallholder farmers, women's associations, and women household-based processors. These grants will enable part of beneficiaries trained under sub-component 1.1 to upgrade critical aspects of their production and processing activities, contributing to improved water efficiency, quality, food safety, market readiness and small business development. In total, approximately 1040 grants will be awarded, each with a maximum value of USD 5,000, tailored to support the specific business needs and investment priorities of the applicants. Building on the experience from REGEF, the grants will be disbursed through mobile wallets which saw continuous usage by beneficiaries even beyond receiving the grant amounts. Grant beneficiaries for this window are required to provide only 5% of the total grant amount as private matching contribution. Careful implementation of targeting criteria will ensure outreach to the intended target group. Women and youth are expected to account for approximately 60 and 30 percent of total grant beneficiaries. A key outcome from this component will be the development of approximately 300 youth-led green enterprises also by leveraging adoption of climate-resilient agricultural practices and the piloting of organic farming techniques.
95. **Small Grant for processing.** Grant for food processing, will enable women to acquire small processing machineries (e.g. dryers, refrigerators etc.) and other working materials (raw materials, glass containers, kitchen utensils and furniture etc.) to expand the production of processed foods and establish a home-based micro-enterprise. The women can apply in group (usually 2 or 3) or individually. Women's associations are also eligible, providing their linkages with poor and vulnerable rural women members.
96. **Small grant for water efficiency:** Building on the experience of REGEF, this may include household rainwater harvesting and storage units (below 200m³), small landscape containing works, water-saving irrigation systems, small greenhouse installations, and related systems. Prior to grants delivery, a study will be commissioned to identify context-specific, eligible technology packages for the water efficiency grants. REGEF-UP will provide all grantees with dedicated technical assistance for both pre- and post-installation phases to ensure proper system design, operation, and maintenance. As a key lesson learned from REGEF, a water accountability component will be integrated into each grant. This will enable farmers to monitor water use and evaluate the economic benefits of the intervention, thereby facilitating clearer tracking of the programme's overall impact on water management and productivity. Implementing partners will ensure adequate inputs and tracking using the digital monitoring platform on the use and economic benefits of water saving technologies.
97. **Activity 1.1.4 Business mentoring.** The mentorship scheme aims at supporting grant beneficiaries in implementing their micro business plans to ensure they are profitable and sustainable. A team of 100 gender balanced business mentors will be hired and trained by the implementing partners to provide tailored support to 1000 micro-business programmes. Mentors will reinforce the knowledge that was previously acquired during the technical and business training while also providing hands on support to address the challenges that the beneficiaries might face in implementing their business proposals.
98. **Activity 1.1.5 Support to marketing.** Small producers and especially women food processors and youth will be supported to enhance their access to market, by training 500 beneficiaries in the use of digital technologies for marketing, including though social media marketing.
99. When feasible and sustainable the programme will support the registration of more mature home-based businesses and engage with local retailers and other value-chain operators to explore opportunities for product aggregation. This will enable women food producers to grow their businesses operations and diversify their markets. Women beneficiaries of REGEF I and II will also be targeted. Some producers will also benefit from improved market linkages supported under sub-component 1.2.
100. **Activity 1.1.6. Peer-learning, fairs and events.** REGEF-UP will promote the formation of a peer-learning structure among women

and youth beneficiaries. Learning routes and exchange will be organised on a quarterly basis. This will also contribute to create a cadre of women and girls' champions and role models. Market fairs will also be organised to attract new buyers.

101. **Activity 1.1.7 Green jobs.** Opportunities especially for youths in the agricultural value chain will be promoted through green jobs creation in the form of support services to farmers undertaking resilient agricultural production and processing activities. These opportunities include:

102. *Tillage, harvesting and tree maintenance services by youth groups.* An example is the improve olive harvesting using plastic boxes instead of plastic bags. Youth can go further to offer tree maintenance and pruning services. Interested youths will be trained by institutes like NARC and offered matching grants not exceeding USD 5,000 for equipment.

103. *Maintenance and repairs to irrigation equipment, greenhouses and solar equipment.* Youth will be trained by equipment service providers, specialized government institutions or technical colleges. One of the major impediments to improving water use efficiency is improper installation and lack of maintenance in irrigation infrastructure and greenhouses. This activity is also foreseen to support in increasing climate adaptation efforts.

104. Subcomponent 1.2. Value chain and SME development

105. This subcomponent seeks to develop agricultural value chains through capacitation of agricultural producers to sustainably improve yields through improved soil and water management practices, reduce post-harvest losses, and more efficient use of scarce water resources. Access to more efficient marketing channels will be enhanced through building the capacity of agro-processors (SMEs) to more efficiently handle and improved capacity to offtake from smallholder producers whilst creating employment for vulnerable groups. The expected results are: 50 SMEs/agro-processors capacitated, 100 agricultural producers assisted to improve their production capacity, reduce post-harvest losses and improve water use efficiency, 750 smallholder producers access improved markets, and 1,250 jobs created for vulnerable groups.

106. The following value chain have been initially selected, based on observations in farmers' fields during the PDR mission, interactions with stakeholders and scoping of available studies and literature, for support under REGEUP-UP; (i) fruits such as palm dates, olive oil, and citrus, (ii) vegetables – tomatoes, peppers (chilli, bell and Hungarian), zucchini, egg plants and okra and (iii) herbal medicinal and aromatic plants (HMAPs) – thyme and sage. These value chains have been selected based on potential for high water use efficiency, participation by smallholder producers, availability of local and export markets, and have high potential for growth and value addition.

107. **Activity 1.2.1 Value chain study and in-depth assessment** A needs assessment study to identify (including geo-mapping) of forward and backward linkages for key value chains including mapping of available value chain stakeholders (aggregators, traders, processors, exporters), their investment needs and capacity will be conducted, and an assessment of the demand (local and export markets) and pricing of each commodity. The VC study will take value per drop approach to help in identifying entry points and ultimately contribute to increasing climate adaptation efforts. In addition, the study will apply a nutrition-sensitive lens to assess how targeted value chains can contribute to improved availability, accessibility, and consumption of diverse, safe, and nutrient-rich foods, especially for vulnerable groups. The VC study will help to refine the activities of the programme and areas of intervention. Consultant/s should be appointed to undertake the study and to be completed within 6 months.

108. **Activity 1.2.2 Identify/select SMEs and farms to upgrade.** A call for expression of interest (EOI) will be made in local media and other channels such as value chain associations, e.g. Jordan Dates Association (JODA) and complemented with the Jordan Cooperative Corporation (JCC) register. The PMU will also undertake information days/road shows in areas with high target group concentration, such as the Jordan Valley.

109. JEDCO, with assistance from with the assistance of a consulting company, will verify, review the applications and make final selection of beneficiaries. For consistency, a selection criterion and scoring system should be developed. Selected SMEs/farming businesses should present a profitable/viable and inclusive business plan, be involved in the selected value chain and show capacity to create additional jobs (including internship/apprenticeship opportunities for the youth) and uptake produce from smallholder farmers. Verifications and confirmation of the required investments will be made through follow-up visits to the SMEs and farms.

110. **Activity 1.2.3 Upgrading and equipping value chain actors.** Under a matching grant scheme (25% beneficiary: 75% programme), value chain actors will strengthen in their capacity to (i) more efficiently use water and energy, (ii) reduce harm to the environment and (iii) increase uptake of produce from small-scale producers. The programme will make investments in:

- 50 grading/sorting and processing facilities (SMEs) with a total value of USD2 million over 6 years. Each SME will receive a maximum of USD40,000 which they are expected to match with 50% of their own resources. Support and equipping will be in the form of grading/sorting lines, cold storage facilities, packaging and branding equipment with solar energy system, and transport and logistics. These investments should also ensure an improvement in water recycling, energy efficiency and ability to absorb more produce from smallholder producers and create jobs.
- 100 agricultural producers with an investment of USD1.7 million, with each entity eligible for a maximum of USD17,000 which they will match with 50% of own cash contribution. Investments will include advanced greenhouses, hydroponic systems, advanced irrigation equipment such as subsurface drip, solar energy and water harvesting (between 200 and 700 m³), and crop harvesting and post-harvest handling equipment.

111. A digital monitoring system will be developed and implemented to support effective monitoring and management of investments.

This will include capture of beneficiary details including geolocation, type of investment, business model, expected outputs (new jobs created, farmers and processors linked, and increased capacity)

112. **Activity 1.2.4 Capacity building of agricultural enterprises.** Beneficiaries of the REGEF-UP matching grant facility and farmers supplying to the funded SMEs will undergo capacity building in various facets of their production processes.
113. Advanced climate resilient agricultural production, including more advanced technologies such as advanced greenhouse and hydroponics, advanced pressurized micro-irrigation systems with fertigation and moisture monitoring, rainwater harvesting system, water and soil conservation practices such as minimum tillage, contour planting, mulching and use of half-moons on orchard plants. Good agricultural practices including integrated pest management, selection of adapted crops varieties, use of organic fertilizer and materials will also be promoted, as well as basic food safety and food loss concepts. These practices will boost productivity, enhance resilience and reduce GHG emissions.
114. Crop harvesting and post harvesting handling to reduce post-harvest losses estimated at up to 30%. Support will also be provided crop grading.
115. Certification and production standards such as Global GAP and other certification schemes on food quality and safety standards also to enable qualification for export markets.
116. Labour standards and Occupational safety and health training for producers and their employees. (also in collaboration with the Ministry of Labour)
117. Business development services. Beneficiaries will be trained in business management, budgeting, managing financial resources and negotiation skills. The programme will hire a BDS service provider to develop curriculum, deliver training and mentoring. Financial institutions and off-takers will participate and provide tailored support.
118. 15 e-learning videos will be developed by the selected implementing partner for activity 1.2.4 on specific advanced production, post-harvest management and processing technologies, business management and other topics in coordination with the programme KM specialist.
119. **Activity 1.2.5 Promoting market access and digitalization.** Establish business-to-business (B2B) and business-to-farmer (B2F) platforms, including farm visits for processors. This will also link farmers to input suppliers. Strengthen producer associations and their interaction with processors, aggregators and exporters.
120. Promote digital marketing through use of existing applications such as the SMS alert by JODA. Through digital trainings encourage youth to develop simple tools and use digital applications including social media for marketing. The programme can design a challenge competition using small grant amount (up to 20 grants) to invite youth to create small digital businesses/tools that can maximise market access for local communities. Participate in and organize trade fairs and road shows, including international fairs especially in the Gulf States to identify export markets.

121. Component 2. Inclusive Rural Finance

122. Component 2 consists of three subcomponents closely reflecting the above outcomes:

1. Improved access to finance for MSMEs
2. Strengthened technical capacity of PFIs
3. Improved financial literacy among rural residents

123. Subcomponent 2.1. Improved access to finance for MSMEs

124. This activity will provide targeted financing to micro, small, and medium-sized enterprises (MSMEs) in rural areas, empowering them to invest in productive activities, expand operations, and enhance their economic and climate resilience, through a range of both conventional and Islamic finance products.
125. The establishment of a credit line facility under Subcomponent 2.1 is essential to address the persistent financing gap faced by Jordan's MSMEs, particularly in the agricultural sector. The credit line will provide the financial push needed to unlock the productive potential of agribusinesses and smallholders, while enabling their integration into higher-value supply chains.
126. To respond effectively to the diverse needs across the rural finance landscape, the component includes differentiated financial products and implementing partners. CBJ will manage a credit line targeting SMEs through selected Participating Financial Institutions (PFIs) – both conventional and Islamic, providing oversight, ensuring compliance with national banking regulations, and aligning the facility with broader SME financing strategies. In parallel, the Agricultural Credit Corporation (ACC) will serve as the channel for microloans, ensuring affordability and outreach to underserved smallholders and rural clients through a concessional line of finance, co-funded by IsDB/ISFD. This multi-window approach allows the programme to tailor financial instruments to client size and risk profile while leveraging the comparative strengths of CBJ and ACC as implementing partners, and IsDB as co-funder to maximize developmental impact and financial sustainability.
127. Specifically, two dedicated credit lines will be established to address the diverse financing needs of MSMEs with particular focus on inclusion and affordability, specifically targeting the “missing middle” - loans between JOD 10,000 and 100,000.
- SME loans provided via the CBJ financing facility: The average loan size will be around USD 70,000 (up to USD 140,000 – JOD 100,000). This credit line will enable growth and expansion for SMEs, an important segment in Jordan's economy that often struggles to access affordable and appropriately sized financing.
 - Microloans via ACC: The loans, offered under Sharia principles, will be capped at USD 14,000 – JOD 10,000 (with an average

of USD 7,000), targeting microenterprise borrowers as a more affordable source of financing. This facility will ensure access to finance for the lower-income entrepreneurs in need to sustain livelihoods in rural and underserved areas. This credit line will be structured as blended concessional financing, with funds provided by both IFAD and IsDB to the Government of Jordan and on-lent to ACC. ACC will match the financing amount provided by IFAD and IsDB, and the final lending rate to end beneficiaries is expected to be approximately 3%, significantly lower than the average 6-7% offered by commercial banks and much lower than high-cost MFIs (27-32% per annum).

128. In line with the programme's commitment to inclusive finance, the credit lines are designed to actively promote the participation of women and youth – two groups that are often disproportionately excluded from formal financial services. Special attention will be paid to lowering access barriers such as collateral requirements, limited credit histories, and lack of tailored products. To support this effort, the programme will cooperate with the Jordan Loan Guarantee Corporation (JLGC), which has expressed high interest in collaboration. JLGC is currently expanding its loan guarantee portfolio to include the agricultural sector, making it a strategic partner in addressing collateral constraints for rural borrowers. To ensure that financing effectively supports investments aimed at strengthening climate resilience, the programme aims to allocate at least 30% of the total credit portfolio to initiatives that directly contribute to climate adaptation and/or mitigation objectives.

129. Subcomponent 2.2. Strengthened technical capacity of PFIs

130. The activity involves the provision of targeted technical assistance (TA) to PFIs (eligible commercial banks) to strengthen their capacity for agricultural lending. The PFIs currently lack the specialized knowledge and tools required to effectively serve the agricultural sector. Through this TA, PFIs will be trained to analyze agricultural businesses, apply appropriate risk management strategies, and tailor loan products to fit sector-specific needs – such as seasonal repayment schedules, grace periods, and alternative forms of collateral. A key component will be the development and use of “technological maps” (tech maps), which provide standardized, sector-specific guidelines for assessing and monitoring different types of agricultural enterprises.

131. Building on this foundation, PFIs will develop the internal capacity to design and implement tailored financial products that reflect the specific characteristics and seasonality of agricultural businesses. These tailored products will then be integrated into the PFIs' standard loan approval and risk assessment policies, ensuring that agricultural lending is not only more accessible but also more sustainable. This approach will contribute to mitigating credit risks associated with agricultural lending, improving loan portfolio quality, and ultimately expanding financial inclusion for rural and agricultural clients.

132. Subcomponent 2.3. Improved financial literacy among rural residents

133. The activity focuses on enhancing financial literacy among rural populations, particularly women and youth. The programme will develop financial literacy materials based on the G20/OECD INFE Core Competencies Framework for Adults,^[2] tailored to the Jordanian context to ensure relevance and cultural appropriateness. With respect to financial products, the content will cover both conventional and Islamic finance. A training of trainers (ToT) program will be implemented to equip local facilitators who will then lead community-based financial education sessions. To reinforce informed and gender-equitable household decision-making, the financial literacy training will be complemented by basic gender and nutrition education, also focusing on healthy diets, food budgeting, and dietary diversity.

134. Innovative delivery methods will be employed, including the use of “teachable moments” – opportune situations within daily life or other programme activities – to effectively convey financial education messages. Other subcomponents of the programme will serve as platforms for outreach, ensuring integrated and widespread access to knowledge of all programme beneficiaries. In collaboration with CBJ and other sector stakeholders, key materials will also be published, extending access and reinforcing the programme's national impact.

135. Component 3- Programme governance & Policy engagement

136. **Policy engagement** will be a key element in the component, especially in terms of evidencing the various methodologies and the climate smart agricultural practices that can best leverage improved agribusiness for higher productivity, increased climate resilience, and higher profitability. Related, this will also feed into the policy conversation on several topics described below:

137. REGEF-UP will support the Government of Jordan (GoJ) in two high-impact areas: (i) the mid-term review and update of the National Food Security Strategy (NFSS) 2021–2030, and (ii) the design of the successor to the National Plan for Sustainable Agriculture (NPSA), set to expire in 2025. Hence, the following activities are envisaged: Policy engagement on nutrition will focus on food safety and quality standards, also in collaboration with the Ministry of health, to ensure improvement in the regulatory framework. Policy dialogue will also include attention to the needs of nutrition vulnerable population, including women and girls, and on the critical nexus of nutrition and women's economic empowerment.

138. The NFSS Mid-Term Review through rapid assessments and synthesis notes on REGEF-UP results relevant to the NFSS pillars (e.g. availability, utilization, and climate resilience). This could include a technical policy paper to consolidate lessons from programme pilots (e.g. water-efficient value chains, gender-nutrition integration) contributing to increasing climate adaptive capacity. This should be followed up by participation in 1–2 national consultative workshops led by HCFS to validate findings and update NFSS targets. Ultimately REGEF-UP will produce policy briefs (1 expected) summarizing contributions of REGEF-UP to NFSS progress and identifying scalable innovations.

139. REGEF-UP will also provide inputs to the successor Strategy for Agriculture (2026–2030). This will build on field evidence and partner consultations. REGEF-UP will support the Ministry of Agriculture and HCFS in developing a new agricultural strategy with strong focus on climate change adaptation by contributing to technical notes on climate-smart agriculture (CSA) approaches validated by the programme (e.g. CSA toolkit, cost-benefit estimates). REGEF-UP will also be hosting a learning event in collaboration with NARC and FAO to present policy recommendations for scaling CSA technologies. Finally, REGEF-UP will be supporting 1 policy roundtable on aligning the new strategy with water-saving and agri-finance incentives, including participation

from Ministry of Water and Irrigation.

140. REGEUP-UP will also generate policy related knowledge and learning products to inform the above policy processes. This will include 3 policy briefs and 1 CSA knowledge compendium for use by HCFS and the Ministry of Agriculture. A short video or infographic summarizing the impact of REGEUP-UP on food security, for use in national review sessions. A joint summary note with HCFS to be submitted to the Cabinet during the NFSS review.
141. The final activity will be support to HCFS Coordination. This to reinforce institutional processes without creating parallel structures. Hence the programme will provide technical assistance to the HCFS Secretariat for organizing review sessions and consultations. It will also share programme M&E data with the Food Security Information System to support evidence-based decision-making as well as participate in up to HCFS meetings or working groups during the programme life to provide inputs and updates.
142. **Programme coordination and management:** See details on Programme management and coordination in chapter 3.

2.5 Sustainability, Scaling Up and Exit Strategy

143. REGEUP-UP builds on the strong achievements by REGEUP realised through strengthening JEDCO's managing capacities and its established collaboration with the other implementing partners. Engaging these organisations will guarantee a degree of sustainability of their related activities, since these activities are also part of their annual programme funded through other donors or through the government.
144. The investments in water efficient equipment, as well as in small-scale processing and value addition activities will be sustainable due to their established market linkages that will drive additional value chain investments. REGEUP-UP will focus on anchoring the beneficiaries more robustly in commercially viable value chains, whether as farmers, processors or service providers.
145. The sustainability strategy consequently builds on a comprehensive approach aimed at ensuring that benefits and achievements are long-lasting and that development processes can continue without external support. Sustainability is considered a core pillar of Jordan's Economic Modernisation Vision, which aims for the country to be low-carbon, resource-efficient, and socially inclusive. It is also fundamental to achieving food security now and in the future, involving the efficient use of resources, minimising waste, reducing pollution, and preserving biodiversity.
146. Several national strategies and plans inform this approach:
- The *Economic Modernisation Vision* includes a 'Sustainable Resources Driver' focused on optimising the use and enhancing the sustainability of natural resources like water and energy, and a 'Green Jordan Driver' promoting sustainable practices and climate action. It sets goals for improving environmental performance and sustainability competitiveness.
 - The *National Water Strategy to 2040* aims for lasting water security, focusing on balancing supply and demand, improving efficiency, using treated wastewater, and enhancing financial sustainability and governance. It emphasizes integrated water resources management and climate change resilience.
 - The *National Agricultural Strategy* promotes sustainable agricultural practices, water use efficiency, climate-smart agriculture, and water-saving techniques. The successor strategy is expected to continue these areas.
 - The *National Plan for Sustainable Agriculture* aims to increase productivity, improve market access, empower smallholders, promote sustainable practices, and enhance food security. Sustainability, in this context, involves using sustainable agriculture techniques like organic farming, crop diversification, and improving water management.
 - The *Green Growth National Action Plan* supports climate-resilient agriculture, water conservation, and transitioning to low-carbon farming.
 - The *National Climate Change Policy (2022-2050)* prioritizes building agricultural resilience through water management, efficient irrigation, and sustainable farming.
147. Additionally, the REGEUP-UP will take on the following sustainability enhancing engagements:
148. *Capacity development and institutional strengthening:* Enhancing the abilities of beneficiaries (farmers, MSMEs) and implementing partners (JEDCO, IPs, PFIs, CBJ, etc.) through training, coaching, and mentoring. This aims to build self-sufficiency and the ability to maintain benefits and services long-term.
149. *Empowering Community Organizations:* Strengthening groups like CBOs and farmers organisations (FOs) so they become more self-sufficient and financially sustainable. FOs, for example, fosters collaboration and knowledge sharing among farmers.
150. *Technical Sustainability:* Promoting methodologies and technologies appropriate and available to the target group, such as suitable irrigation technology. This is considered a low-risk area for the programme.
151. *Economic and Financial Sustainability:* Using a market-driven approach for selecting priority crops, partnering with the private sector, and ensuring interventions generate positive financial returns for beneficiaries and the programme overall. The rural finance component demonstrates the viability of lending to the rural sector, with the revolving fund mechanism designed to continue providing access to finance through partner financial institutions (PFIs) like MFIs beyond the programme's end.
152. The *institutional sustainability* is a foundational principle of REGEUP-UP's design, aiming to transition the project's interventions into enduring processes driven by capable Jordanian institutions. This is anchored in the programme's deliberate and strong alignment with Jordan's key national frameworks, including the Economic Modernization Vision, the National Water Strategy, and

the National Food Security Strategy. Such congruence is designed to foster national ownership and increase the probability that the Government of Jordan will continue, adapt, or scale up successful models long after the programme's conclusion. A cornerstone of the sustainability framework is the phased handover of responsibilities to a network of strengthened national and local partners. JEDCO, as the lead implementing agency, is positioned as the central institutional anchor, tasked with stewarding the programme's institutional memory and managing residual mechanisms such as grievance redress. Technical knowledge and capacity are to be embedded within permanent structures; for instance, training curricula and climate-smart agricultural practices will be systematically transitioned to the NARC and the MoA's extension services for continued use and dissemination. Financial sustainability is addressed through the revolving mechanism which will be managed post-programme by the CBJ and its PFIs, alongside ACC for the microloan facility. The strategy aims for PFIs to "graduate" from their reliance on the programme's credit lines, eventually utilizing their own capital to serve the agricultural sector based on the expertise and tailored financial products developed. At the local level, sustainability is fostered by empowering CBOs and FOs to assume greater roles in service delivery, peer-to-peer learning, and the management of community assets. Learning from its predecessor, REGEUP also plans for the formalization of post-programme inter-agency coordination, potentially integrating key functions into permanent national platforms like the Higher Council for Food Security (HCFS) to ensure that policy dialogue and strategic alignment are maintained. This multifaceted approach, which combines national policy alignment with the empowerment of public, private, and community institutions, is designed to ensure that the programme's benefits are not only sustained but also scaled, contributing to a lasting legacy of inclusive and resilient rural development in Jordan.

153. *Environmental Sustainability*: Addressing water scarcity as a central concern by focusing on high water-value crops, promoting water management and efficiency through the value chain, incorporating practices into FFS training, and requiring water management plans for investment funding. Activities supported include rainwater harvesting, efficient irrigation systems, demonstration fields for drought-resistant varieties and organic farming, and policy support for water management. The REGEUP programme continues this by investing in water-saving technologies and RWH, and supporting climate-resilient equipment.
154. *Replication and Scaling Up*: Designing implementation mechanisms to be easily replicable and scalable to other sectors and geographical areas, extracting and sharing generic principles underlying successful approaches.
155. *Incorporating Lessons Learned*: Building the programme design on insights from previous agricultural and rural development programmes in Jordan.
156. *Policy Influence and Alignment*: Aligning the programme with national strategies related to agriculture, water, climate change, and green growth. The programme aims to influence policy through evidence generation and advocacy.
157. *Strengthening human capacities of especially youth and women* will also be key in ensuring sustainable exit. REGEUP will support livelihood development, income-generation and micro/small-scale business for women and youth. Service-providers will support the generation, dissemination and implementation of business ideas in target communities. The grant funding will also be used to support the creation of enterprises in the area of business development, thereby contributing to green jobs generation. The core focus is on making these activities commercially viable thus ensuring sustainability. An example of this is the focus on stimulating green enterprises and environmental services in rural areas, which are key for the reduction of production waste and water conservation. REGEUP will make concerted efforts to ensure that this support is both environmentally and commercially viable.
158. As for the inclusive rural finance component, it has been designed with built-in mechanisms to ensure sustainability, potential for scaling up, and a clear exit strategy. By providing SME loans on commercial terms via banks, the programme will avoid market distortion and encourage long-term commitment from PFIs. As PFIs gain practical experience and confidence in agricultural lending, they are expected to allocate their own resources to the sector, thus reducing reliance on programme funding. The microloan credit line will be placed with an existing agricultural lending entity, ACC, which will ensure its continuity and accessibility to rural microenterprises.
159. The tailored technical assistance to PFIs, combined with training and tools such as technological maps, will embed essential agri-finance know-how within the institutions, ensuring the knowledge remains in the sector beyond the programme's duration.
160. The financial literacy activities will not only support responsible borrowing and improved financial decision-making among target groups, but through the CBJ platform will also be accessible to a wider audience to help reinforce financial capability.

2.6 Project financing

161. Total Programme costs, including physical and price contingencies, are estimated at US\$48.72 million, of which US\$46.86 million represent the base cost and US\$1.86 million the contingency allowances. Taxes and foreign exchange represent respectively 1 per cent and 5 per cent of total Programme cost. The largest part is for Component 2 "Inclusive Rural Finance" (US\$31.25 million, base costs), followed by Component 1 "Resilient and inclusive value chain development" (US\$13.24 million, base costs) and finally Component 3 "Programme Management and Policy Engagement" (US\$2.37 million, base costs).
162. The overall cost of the Programme is estimated at US\$48.72 million, which will be disbursed over six years. Of this total financing, IFAD's contribution amounts to US\$4.20 million from IFAD13 Performance-based Allocation System (PBAS), US\$10.00 million from IFAD's Borrowed Resource Access Mechanism (BRAM), and IFAD Additional Climate Contributions (ACC) of US\$0.80 million, for a total of US\$15.00 million, represents 31 per cent. Additionally, US\$10.69 million will be co-financed by Islamic Development Bank (IsDB) (22 per cent of the total costs). The Agricultural Credit Corporation (ACC- FI) will participate in the Programme by financing US\$11.87 million (24 per cent of the total costs). The programme will have a financing gap^[1] of US\$4.00 million (8 per cent of the total costs). The GoJ's contribution is estimated at US\$0.60 million (taxes contribution), represents about 1 per cent of the total costs. Finally, the beneficiaries will contribute US\$6.57 million to the Programme (14 per

cent of the total costs).

163. The total amount of IFAD climate financing is 8.7 million US\$ representing 55.8% of IFAD financing (ACC included). Excluding ACC, the total amount of IFAD climate financing 7.9 million US\$ with 33.8% for adaptation (4.8 million US\$) and 21.8% for mitigation (3.1 million US\$).

164. A preliminary allocation per component and financier is outlined in Table 1, 2 and 3.

Table 1: Programme costs by component (outcome) and sub-component (output) and financier (Thousands of United States Dollars)

Component	IFAD PBAS		IFAD BRAM		IFAD ACC		ISDB		ACC (FI)		Borrower		Beneficiaries		Financing gap		Total
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
1. Resilient and inclusive value chain development	4 200	28%	3 969	27%	799.98	5%	-	0%	-	0%	470.8	3%	1 448	10%	3 936	27%	14 824
1.1. Microentrepreneurs production and processing	3 800	45%	618	7%	694	8%	-	0%	-	0%	360	0%	309	0%	2 657	31%	8 438
1.2. Value Chain and SME development	400	6%	3 351	52%	106	2%	-	0%	-	0%	111	2%	1 138	18%	1 279	20%	6 386
2. Inclusive Rural Finance	-	0%	4 059	13%	0.00	0%	10 186	33%	11 865	38%	40.9	0%	5 124	16%	-	0%	31 274
2.1. Inclusive Rural Finance	-	0%	4 059	13%	-	0%	10 186	33%	11 865	38%	41	0%	5 124	16%	-	0%	31 274
3. Project governance and Policy engagement	-	0%	1 972	75%	0.00	0%	500	19%	-	0%	84.0	3%	-	0%	64	2%	2 620
3.1. Project Management Unit	-	0%	1 897	77%	-	0%	500	20%	-	0%	58	2%	-	0%	0	0%	2 455
3.2. Policy Engagement	-	0%	75	45%	-	0%	-	0%	-	0%	26	16%	-	0%	64	39%	165
Total	4 200	9%	10 000	21%	800	2%	10 686	22%	11 865	24%	596	1%	6 572	13%	4 000	8%	48 718

Table 2: Programme costs by expenditure category and financier (Thousands of United States Dollars)

Component	IFAD PBAS		IFAD BRAM		IFAD ACC		ISDB		ACC (FI)		Borrower		Beneficiaries		Financing gap		Total
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
I. Investment Costs																	
EQUIPMENT /a	-	0%	116	84%	-	0%	-	0%	-	0%	22	16%	-	0%	-	0%	138
CONSULTANCIES /b	878	21%	863	21%	800	19%	500	12%	-	0%	574	14%	-	0%	526	13%	4 141
GRANTS & SUBSIDIES	3 322	28%	3 638	31%	-	0%	-	0%	-	0%	-	0%	1 448	12%	3 474	29%	11 881
CREDITS	-	0%	3 788	12%	-	0%	9 967	32%	11 865	39%	-	0%	5 124	17%	-	0%	30 744
Total Investment Costs	4 200	9%	8 405	18%	800	2%	10 467	22%	11 865	25%	596	1%	6 572	14%	4 000	9%	46 904
II. Recurrent Costs																	
A. SALARIES & ALLOWANCES /c	-	0%	1 595	88%	-	0%	219	12%	-	0%	0	0%	-	0%	-	0%	1 815
Total Recurrent Costs	0.00	0%	1 595	88%	-	0%	219	12%	-	0%	0	0%	-	0%	-	0%	1 815
Total	4 200	9%	10 000	21%	800	2%	10 686	22%	11 865	24%	596	1%	6 572	13%	4 000	8%	48 718

Table 3: Programme costs by component (outcome) and sub-component (output) and programme year (Thousands of United States Dollars)

Component/subcomponent]	PY1		PY2		PY3		PY4		PY5		PY6		Total
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
1. Resilient and inclusive value chain development	740	5%	2 551	17%	3 119	21%	3 498	24%	3 362	23%	1 555	10%	14 824
1.1. Microentrepreneurs production and processing	180	2%	1 516	18%	1 707	20%	1 780	21%	1 756	21%	1 497	18%	8 438
1.2. Value Chain and SME development	560	9%	1 034	16%	1 411	22%	1 718	27%	1 605	25%	58	1%	6 386
2. Inclusive Rural Finance	360	1%	6 147	20%	6 148	20%	6 149	20%	6 234	20%	6 236	20%	31 274
2.1. Inclusive Rural Finance	360	1%	6 147	20%	6 148	20%	6 149	20%	6 234	20%	6 236	20%	31 274
3. Project governance and Policy engagement	554	21%	394	15%	398	15%	459	18%	476	18%	340	13%	2 620
3.1. Project Management Unit	489	20%	340	14%	351	14%	459	19%	476	19%	340	14%	2 455
3.2. Policy Engagement	65	39%	54	32%	47	28%	-	0%	-	0%	-	0%	165
Total	1 654	3%	9 091	19%	9 664	20%	10 106	21%	10 072	21%	8 131	17%	48 718

165. The disbursement of REGEP UP funds is planned over a six-year implementation period, from 2026 to 2031. In the initial year (2026), disbursements will be relatively modest at US\$1.65 million, primarily for preparatory activities and early implementation of key components. The funding requirement then increases sharply in 2027 and 2028, reaching US\$9.09 million and US\$9.66 million respectively, reflecting the full-scale rollout of core programme activities, particularly under Inclusive Rural Finance and Micro-entrepreneurs' Production & Processing. Disbursements peak in 2029 at US\$10.11 million, as interventions continue to scale up and reach more beneficiaries. A slight decline is projected in 2030 (US\$10.07 million) as activities begin to consolidate, followed by a tapering off in 2031 with US\$8.13 million disbursed, consistent with the winding-down phase of programme implementation. The cumulative programme cost over the six years is estimated at US\$48.72 million, including contingencies.

2.7 Economic and Financial Analysis

166. The initial twenty-seven financial models were developed to reflect the programme activities. These include eleven models focused solely on agriculture—based on one-hectare plots—which served as the basis for building six comprehensive agricultural farm models. Additionally, ten models were developed for agribusiness and Micro/Small-Scale Enterprises (M/SMEs). The financial analysis indicates that the targeted activities are financially sound, while the economic analysis confirms the overall viability of the programme. The Economic Internal Rate of Return (EIRR) is estimated at 23.11 per cent, with a Net Present Value (NPV) of US\$29.57 million. Sensitivity analysis reveals that the programme is responsive to changes in key variables, such as benefits and costs, delays in benefit realization, and adoption rates—highlighting that sustainable value chain investments, particularly in the dairy sector, are essential for programme success.

Chapter 3: Organisation and Management

3.1 Organisational set-up and Governance

167. JEDCO will continue as the lead implementing agency for REGEUP-UP, building on its successful track record under previous programme phases. JEDCO's Programme Management and Coordination Unit (PMCU) has demonstrated alignment with established IFAD structures and standards, and it received favourable performance ratings under IFAD supervision. The performance of JEDCO and associated partners under earlier phases confirms their suitability for continued implementation during this upscaling phase of REGEUP-UP.
168. *Project staffing:* The programme's human resources are structured around the central management unit complemented by staff from various implementing partners and consultants hired for specific technical expertise. The PMCU, located within JEDCO's structure in Amman, will lead the day-to-day operations and coordination of programme implementation. The PMCU will include a multidisciplinary team, recruited through a competitive process, of technical, fiduciary, and administrative staff. Key staff will comprise a Programme Manager, Finance coordinator, Value Chain Specialist, M&E Officer, Rural Finance Specialist, and Procurement officer (See annex 9 for more details). Several of these staff will be recruited during the start-up phase, particularly those linked to newly introduced responsibilities. The partnership with IsDB and UN Women will provide additional human resources and technical expertise: 1) A full-time staff member dedicated to mainstreaming gender, nutrition, youth, and social inclusion will be appointed upon finalizing the partnership agreement with UN-Women. 2) The project budget allows for the recruitment of further specialised competencies based on requests from IsDB and UN Women. 3) IsDB will also support the delivery of technical assistance under the rural finance component. Beyond the core PMCU, implementing partners will dedicate staff to the programme. This includes M&E units and accounting staff within each partner.
169. *Office infrastructure:* The PMCU will be located at JEDCO's headquarters in Amman, where it has a well-equipped office, with government willing to continue to the current arrangement including use of office space, IT equipment and furniture. Moreover, IsDB has also committed to financing additional furniture and vehicles, as well as contributing to office rent. This will allow for rapid commencement of REGEUP-UP. In addition REGEUP-UP will also have on a need basis, a regional office presence through temporary hired mobile field specialists providing satellite support functions and working closely with local partner offices. These outreach modalities will support last-mile delivery, allowing programme services and technical support to reach remote rural beneficiaries. This structure is designed to ensure both centralized oversight and decentralized engagement, which is crucial for capturing synergies and promoting adaptive management in diverse contexts.
170. *Programme governance:* To mitigate risks of siloed implementation and promote cross-component integration, the PMCU will be structured functionally rather than strictly by programme component. This means interdisciplinary technical teams will work collaboratively across programme outcomes—particularly on the intersection of inclusive rural finance, climate-smart agriculture, and youth entrepreneurship. This integrated model also enhances horizontal coordination, enabling cross-learning and improved delivery efficiency. However, this structure may pose coordination challenges across geographic locations, which will be mitigated through monthly planning sessions, shared digital management tools, and joint field missions.
171. A key feature of REGEUP-UP's structure is its multi-level governance and coordination mechanism. The existing Programme Steering Committee (PSC), chaired by the Ministry of Planning and International Cooperation (MoPIC), will continue to oversee strategic decision-making. The PSC will include representatives from JEDCO, the Ministry of Agriculture (MoA), the Ministry of Environment, the NGOs, and private sector entities including farmers' organizations. The Programme Manager will serve as the secretary to the PSC, ensuring timely coordination and reporting.
172. A dedicated Technical Committee chaired by the Programme Manager will convene monthly and include PMCU technical staff and representatives from key implementing partners. This forum will ensure operational coordination, adaptive decision-making, and inclusive implementation. Meetings will alternate between Amman and programme sites to ensure regional issues are systematically addressed and feedback from local stakeholders is integrated.
173. In addition, a Donor Coordination Committee will include IFAD, the Islamic Development Bank (IsDB), and UN Women—REGEUP-UP's primary external financiers. This body will align the partners' technical and financial support and ensure that joint programming and resource pooling are sustained throughout implementation.
174. Component-specific implementing partnerships will reinforce programme delivery. For Component 1, the programme will strengthen collaboration with existing agricultural extension services and engage private sector partners for scaling outreach. For Component 2, the Central Bank of Jordan (CBJ) will oversee the engagement and due diligence of participating financial institutions (PFIs), monitor disbursements, and ensure performance tracking. The Agricultural Credit Corporation (ACC) will

manage microloans under this component, while the Jordan Loan Guarantee Corporation will collaborate under a forthcoming MoU to mitigate PFI credit risk through loan guarantees. Financial literacy campaigns will be coordinated with CBJ, ACC, and the Development and Employment Fund (DEF), capitalizing on their branch networks for outreach in rural and underserved areas.

175. The Programme Implementation Manual (Annex 9) provides a comprehensive organizational chart and further defines the roles and responsibilities of each actor, ensuring clarity of functions and accountability lines. This structure supports both robust oversight and flexible field-level delivery essential for reaching remote households, generating cross-sectoral learning, and achieving REGEP-UP's inclusive rural transformation goals.

3.2 IFAD Supervision

176. REGEP-UP supervision will be carried out directly by IFAD in coordination with IsDB and UN Women, who will be invited to participate. One supervision mission and one implementation support mission will be undertaken every year. Such support will be a continuous process with frequent communication and engagement with the MOPIC, JEDCO, MoA, ACC, CBJ, the PCMU and other relevant stakeholders. The first implementation support mission will occur soon after start-up. The frequency, composition of supervision and implementation support missions will be based on implementation requirements and PCNU requests. The supervision process will guide the programme towards achievement of its objectives and poverty reduction outcomes, while ensuring fiduciary compliance and responsiveness to the accountability framework. Implementation support will be applied at: (i) programme level with focus on providing guidance towards achievement of objectives, supporting adaptation in response to evolving conditions, resolving operational issues, generating lessons and articulating best practices; (ii) sector level with focus influencing policy on the basis of experiences, and facilitating strategic and financial partnerships for rural poverty reduction. For the follow-up/ supervision or completion mission purpose, and ahead of IFAD mission arrival to the programme premises (or the field), PCMU shall provide up to date programme management tables and indicators, such as i) framework/log frame, ii) M&E Plan and Performance Monitoring Plan, iii) Financial management markers; iv) AWPB-PP; v) procurement, grant, loan contract register; vi) asset management table; iv) pending/executed payments (WA#); and v) other required document as per solicitation.
177. The MOPIC, IFAD, IsDB, UN Women and implementing partners will jointly carry out the Mid Term Review (MTR) of at the end of year three. The MTR will be based on, inter-alia, the PDR, SECAP, Procurement Plans, Reports of Supervision and Follow Up Missions, AWPBs, Progress Reports, Financing Agreements, evolving government policies and strategies, and additional data from commissioned studies. The MTR findings will be promptly communicated to the implementing agencies and in consultation with the government and partners, necessary design and financing agreements adjustments, if needed, will be made to remove constraints and achieve the REGEP-UP objectives. The government will ensure that the MTR recommendations are implemented within the specified time and to the satisfaction of IFAD. IFAD will be responsible for organizing the preparation of a Programme Completion Review (PCR), after the Programme Completion Date but in any event no later than the Financing Closing Date. At REGEP-UP conclusion a completion evaluation would be conducted, as an input into the PCR through a formal survey preferably undertaken by a neutral agency with no previous involvement.

3.3 Planning, Monitoring and Evaluation

178. **M&E System, Roles and Responsibilities:** REGEP UP will establish a robust M&E system to track the implementation, outcomes and impact of all programme interventions. The total budget allocated for the establishment of the MIS, including software development, digital tools, and annual operation and maintenance is estimated at US\$ 41,000. REGEP-UP M&E unit will be comprised of an M&E Specialist, an M&E Associate, forming the Central M&E Unit, and M&E units with each Programme Implementation Partner (PIPs). These units will coordinate closely with the Central Unit to ensure data collection and verification, support beneficiaries, disseminate information, and report progress. The M&E Specialist will oversee day-to-day M&E activities, quality assurance, data analysis, and reporting.
179. **M&E MIS and ICT tools:** A custom-made, cloud-based Monitoring and Evaluation Management Information System (M&E MIS) will be developed to ensure systematic, consistent, and digitalized data collection and management across all components. The MIS will capture essential data on both core and programme-specific indicators, including additional indicators not covered in the Log-frame. It will also track physical and financial progress, provide detailed beneficiary profiles (classified by target group as defined in the Programme documents), and include sex- and age-disaggregated as well as spatial data.
180. The M&E Specialist will lead the conceptual design of the MIS, while the recruited service provider will be responsible for its technical development. The MIS will be decentralized, enabling PIPs to enter data directly within their designated areas of responsibility.
181. To enhance data accuracy and efficiency, the programme will utilize ICT tools, such as survey solutions and Kobo Toolbox, for both field-level and routine day-to-day data collection activities. Comprehensive training will be provided to the M&E team on the use of the MIS and associated ICT tools. Survey data will be stored and processed using standard software tools commonly used by service providers, such as SPSS, STATA, or R.
182. Data request forms (digital and offline) will be developed for loan and grant applications to identify target groups, eligible investments, and related criteria. These forms will be shared with PFIs, PIPs, and SPs to ensure consistent data collection. PIP M&E units will conduct on-site data verification, complemented by sample-based checks by the Central M&E Unit to ensure data quality and accuracy.
183. **COI Surveys:** The outcome/impact level indicators included in the programme Logframe will be measured through Core Outcome Indicator (COI) surveys implemented at Baseline, Mid-term and Endline, in line with IFAD COI guidelines. COI surveys will be outsourced to a qualified SP. ToRs will be developed for the assignments by the PMU, which will be subject to IFAD's approval. COI surveys will be complemented by ad hoc thematic case studies, problem analysis etc. The total budget allocated for the implementation of the three COI surveys is estimated at around US\$ 280,000.

184. **Reporting:** REGEF UP will employ a results-based management approach that actively uses progress data and analytical insights to inform strategic and operational decisions. The programme will have both internal and external reporting and reflection mechanisms. Internally, monthly performance reports will be prepared by the JEDCO units, PIPs, SPs, and PFIs. These reports will cover implementation progress against planned targets. In addition, the PMU will submit semi-annual/annual progress reports, presenting implementation progress against annual and appraisal targets. Data collected through the programme's M&E system, including output, outcome and financial indicators will form the basis for these reports. This evidence base will support informed decision-making, guide the refinement of programme approaches and work plans. Regular internal reflection workshops will be organized to assess progress, address operational challenges, and facilitate knowledge sharing among programme teams and stakeholders.
185. In addition, external technical reviews and evaluations, including mid-term reviews, outcome surveys, and thematic studies will provide independent assessments and evidence on what works and what requires adjustment. Findings from these processes will be used to strengthen strategies, improve targeting, and enhance the effectiveness of interventions, along with feeding into the MTR and the Completion Reports.
186. The preparation of the **AWPB** will follow a participatory process that ensures alignment with the programme's strategy, logical framework, and broader Theory of Change. Planning will be guided by performance data, field-level consultations, and progress toward outcome indicators. Results-based AWPBs will be developed through close coordination among technical leads, implementing partners and other stakeholders. Once the draft AWPB is prepared, it will be circulated among key implementing partners, line ministries, and stakeholders for review and validation. Feedback will be incorporated before submission to the Programme Steering Committee (PSC) for endorsement. To align with the Government of Jordan's planning cycle, the AWPB preparation will begin in August and conclude by October, with submission to IFAD for no-objection at least 60 days before the end of the fiscal year (January 1st – December 31st).

3.4 Knowledge Management and Country Level Policy Engagement (CLPE)

187. REGEF-UP adopts a strategic approach to knowledge generation and policy engagement that is grounded in Jordan's **Country Strategy Note** and aligned with national development priorities. The programme will systematically generate, manage, and disseminate evidence to inform operations, influence policy processes, and contribute to IFAD's knowledge base. The total budget allocated for the implementation of the three COI surveys is estimated at around 280K.
188. Knowledge production will be anchored in programme implementation and monitoring systems, focusing on actionable lessons from the field in areas such as climate-smart agriculture, water efficiency, inclusive value chains, and rural finance. These lessons will be synthesized into knowledge products tailored to inform policy decisions, operational learning, and replication of best practices.
189. REGEF-UP's knowledge and policy efforts will address three main areas of demand: (i) supporting the mid-term review and updating of the National Food Security Strategy (NFSS); (ii) contributing to the design of a successor strategy to the National Plan for Sustainable Agriculture (NPSA); and (iii) strengthening the institutional coordination and evidence base of the Higher Council for Food Security (HCFS). These areas reflect key policy gaps in data-driven planning, integrated coordination, and climate-resilient agricultural development.
190. The programme will support national institutions through technical inputs, synthesis of programme results, facilitation of inclusive dialogues, and sharing of lessons learned. Knowledge will be disseminated through consultative workshops, policy dialogues, learning events, multimedia tools, and participation in HCFS working groups. Evidence and recommendations will also feed into Jordan's Food Security Information System, supporting real-time decision-making. The communication approach will follow a targeted and strategic methodology for information dissemination, utilizing a mix of online and offline channels to effectively reach diverse audiences.
191. Through its embedded CLPE approach, REGEF-UP ensures that field-level innovations lead to lasting institutional and policy reform, driving resilience and inclusive rural transformation in Jordan.
192. The integrated Knowledge Management and Communication (KM&C) Strategy for REGEF-UP will define the programme's KM strategic objectives, aligning them with national priorities for inclusive, climate-resilient, and nutrition-sensitive value chains. The strategy will identify key areas of KM-related work and define priority KM products, all aimed at enhancing programme performance, scaling proven innovations, and supporting evidence-based policymaking.
193. A central focus of the strategy will be leveraging field-based learning from inclusive value chain interventions that contribute to food and nutrition security. These learnings will be systematically captured, analysed, and disseminated to inform both implementation and policy.
194. Key Areas of KM&C Focus:
- Demonstrating best agroecological and climate-smart agricultural practices and technologies, tailored to REGEF-UP's priority value chains (e.g., dates, olives, fruits, and vegetables).
 - Documenting the relationship between inclusive value chain integration and improved food and nutrition outcomes, using empirical field evidence.
 - Modelling scalable inclusive value chain approaches that integrate smallholder farmers, women, youth, and micro-entrepreneurs.
 - Capturing the outcomes of successful public-private and community partnerships, particularly those supporting value addition and enhanced market access.
 - Using data generated by the programme to highlight economic benefits and empowerment of beneficiaries

- Piloting and assessing innovative rural financial products and climate-resilient infrastructure solutions, including water-efficient technologies and sustainable processing methods.
- A central focus of the strategy will be leveraging field-based learning from inclusive value chain interventions that contribute to food and nutrition security. These learnings will be systematically captured, analysed, and disseminated to inform both implementation and policy.

195. These efforts will be supported through targeted research and field-based learning, particularly under Component 1, which focuses on value chain demonstrations. The research will yield high-quality thematic studies, and evidence reports to inform national dialogue, guide programmatic adjustments, and strengthen the case for investment in inclusive value chains. To generate credible evidence on the impact of pilots and demonstrations, The PMU will consider establishing an MoU with a research institution or university with expertise in impact evaluation design (e.g., RCTs). This partner could help design the data collection plan, align it with the M&E system, and link outcomes to cost-effectiveness analysis.

3.5 Target group engagement

196. The engagement of target programme participants will be conducted through established procedures for information campaign and social mobilisation, including the selection of participants based on REGEP-UP targeting criteria and group formation process. A team of well-trained field workers, who will be hired by implementing partners, will be responsible for engaging with the target group on a regular basis. A more comprehensive tool package for feedback collection will be developed at start-up.

197. Feedback mechanisms will be solicited to provide inputs and suggestions on the different activities and services provided by the programme. This is key to inform adaptive management. Mechanisms for feedback collection and analysis are and will be systematically embedded in all stages of the programme cycle. During the geographical targeting implementation early in the implementation phase, a preliminary assessment will be conducted to map and pre-identify potential target areas and participants, as well as cooperatives, associations and value-chain development opportunities. This will provide an opportunity to gather meaningful insights from the target groups, which will be used to inform planning and service delivery.

198. Target group feedback will be regularly used to monitor the delivery of programme interventions to ensure adaptive management and improvement thereof. During implementation, the target group will have access to different formal and informal mechanisms to provide their feedback, also by leveraging the M&E system. These will include one-to-one interaction; dedicated moments for feedback during programme meetings with relevant stakeholder groups; Interviews with the target group during programme supervision missions; and -. Feedback will be assessed and translated into actionable measures on a regular basis.

199. Grievance redress mechanism. REGEP-UP will feature a two-tier GRM, which also incorporates the GRM mechanisms deployed by implementing partners, in addition to a PMU-led GRM. GRM focal points will be appointed among local staff and trained on how to handle complaints. Uptake channels will be diverse to ensure accessibility by different target groups. These include: Phone, email, SMS, webpage, suggestion boxes, hotline or face-to-face. The uptake channels will be publicized during field-level activities especially during the initial information campaign. At PMU level, either one of JEDCO staff or the SECAP consultant will be assigned as the focal point to oversee the implementation of the GRM in collaboration with the Programme Coordinator, when her/his involvement is deemed to be relevant.

3.6 Strategic partnerships

200. To deliver greater impact and extend reach beyond IFAD's investment envelope, REGEP-UP will rely on a set of strategic partnerships that leverage the comparative advantages of government institutions, development partners, civil society, and the private sector. These partnerships are designed to support delivery of technical expertise, financing, knowledge, and complementary programming.

201. The programme builds on strong collaboration with the Government of Jordan, with JEDCO leading implementation and the Ministry of Planning and International Cooperation (MoPIC) chairing the Programme Steering Committee. The Ministry of Agriculture and Ministry of Environment contribute to climate-smart agriculture and environmental compliance, respectively.

202. Key co-financing partners include the Islamic Development Bank (IsDB) and UN Women, both bringing targeted resources and thematic expertise. IFAD, IsDB, and UN Women will coordinate through a dedicated partner committee to ensure harmonized programming and cost-efficiency.

203. REGEP-UP will formalize a partnership with the Jordan Loan Guarantee Corporation (JLGC) through a Memorandum of Understanding, supporting broader access to credit by reducing collateral constraints for underserved groups. In rural finance, the Central Bank of Jordan (CBJ) and Agricultural Credit Corporation (ACC) will implement SME and microloan lines, respectively, while coordinating on financial literacy alongside the Development and Employment Fund (DEF).

204. Civil society and research organizations such as NARC, and select NGOs will serve as key implementing partners for training and outreach, especially to women and youth. The programme will also engage private sector actors to expand market access, co-invest in value chains, and deliver sustainable employment opportunities.

3.7 Financial Management

205. Organization and Staffing : The Programme Management Coordination Unit (PMCU), hosted by JEDCO, will have overall responsibility for the financial management of the REGEP Up programme. This includes oversight of budgeting, fund flow coordination, financial reporting, and audit follow-up. The PMCU will be staffed with a full-time Finance Specialist and Accountant, both competitively recruited from the local market and subject to IFAD's No Objection. This core team will be supported by JEDCO's Finance Manager acting as a matrix manager and Internal Auditor to enhance financial oversight and ensure

compliance with fiduciary standards.

189. In parallel, implementing partners and service providers—which could be the Agricultural Credit Corporation (ACC), the National Agricultural Research Center (NARC), and NGOs—will assign accounting staff (on a part-time or full-time basis, as appropriate) to manage and record programme-related financial transactions under their respective components. This decentralized arrangement will be coordinated and monitored by the PMCU to ensure consistency in financial procedures, data quality, and reporting across all participating entities.

Budgeting: The programme will prepare an Annual Work Plan and Budget (AWPB) detailing activities, responsibilities, expected expenditures, and financing sources. Each implementing partner will prepare its draft AWPB and submit it to the PMCU for consolidation. The consolidated AWPB will be reviewed by the Programme Steering Committee and submitted to IFAD for approval. The accounting system will incorporate a budget module to enable real-time tracking of budget execution, variance analysis, and timely adjustments, enhancing financial discipline and predictability.

206. **Disbursement:** The programme will utilize two primary disbursement methods: replenishment and direct payment. The PMCU will withdraw funds from IFAD Loans through quarterly interim financial reports. The proceeds from IFAD's PBAS and BRAM allocations will be deposited into a PMCU Pool Designated Account in a currency at the Central Bank of Jordan (CBJ), managed by JEDCO's PMCU. These funds will then be transferred to a PMCU Pool Operating Account in Jordanian Dinar (JOD), to be opened at a commercial bank. All payments related to programme activities—including grants, training, workshops, consultancy services, staff and operating costs, and support to the extension department at Ministry of Agriculture—will be processed from this operating account by the PMCU. Payments to implementing partners and service providers will be made in instalments, based on the terms of their signed contracts and in accordance with the approved Annual Work Plan and Budget (AWPB). These disbursements will be made from the pool operating account.

207. For the Rural Finance Component/Credit lines, separate Credit Line Bank Accounts will be opened by CBOJ and ACC to receive funds directly from IFAD through direct payment withdrawal applications submitted by the PMCU. A disbursement condition for these credit lines will be the signing of subsidiary agreements between the Ministry of Planning and International Cooperation (as the borrower), CBJ, ACC, and REGEP Up PMCU. The Central Bank of Jordan will on-lend funds to Participating Financial Institutions (PFIs), which will then extend loans to eligible end beneficiaries, including SMEs, entrepreneurs, and smallholder farmers. The Agricultural Credit Corporation (ACC) will provide credit directly to beneficiaries of smallholder farmers. Loan repayments from beneficiaries will flow back to ACC or, in the case of PFIs, through the PFIs to CBJ. These reflows will be used to replenish the credit lines for subsequent re-lending (revolving fund mechanism).

208. In parallel, financing from the Islamic Development Bank (IsDB) will be managed through its own designated and operating accounts in the original loan currency. These accounts will operate independently but in alignment with the overall objectives of the REGEP Up programme.

209. A schematic representation of the fund flows is provided in the attached Appendix 7.1 – Flow of Funds Diagram.

Internal Controls: The programme's internal control framework will be guided by the Financial Control By-law (2011) and its Amendment (2015), which define approval hierarchies, segregation of duties, and expenditure authorization procedures across public sector entities. These national regulations will be complemented by the Programme Implementation Manual (PIM), which provides programme-specific financial control arrangements, including roles and responsibilities, documentation standards, and transaction workflows. The PIM will be updated during the start-up phase and adjusted as needed throughout implementation.

210. Internal controls will be enforced both centrally and at the level of implementing partners. The PMCU will play a central role in ensuring effective monitoring and providing support to implementing partners, with the aim of promoting consistency in financial practices and internal control standards.

211. JEDCO's Internal Audit Unit currently performs both ex-ante expenditure reviews and ex-post audits of high-risk areas, though its capacity is limited by staffing constraints. To enhance internal assurance, the internal audit plan will, where feasible, incorporate verification of sample grants and loans to end beneficiaries.

Accounting and Financial Reporting:

212. The PMCU will maintain consolidated financial records in accordance with International Public Sector Accounting Standards (IPSAS – Cash Basis). The accounting system will be designed to capture and report on all eligible expenditures from IFAD (PBAS and BRAM), the Islamic Development Bank (IsDB), and domestic co-financiers.

213. A dedicated accounting software system—such as QuickBooks or a comparable tailored solution—will be procured to support multi-donor fund management and real-time financial reporting. Separate ledgers will be maintained for each source of financing, with monthly reconciliations to ensure accuracy and transparency. The system will also allow for detailed tracking of expenditures by component, category, and financier.

214. The PMCU will be responsible for preparing and submitting to IFAD Quarterly Interim Financial Reports (IFRs), along with cash forecasts and withdrawal applications, and annual consolidated financial statements. These reports will include budget-to-actual comparisons, source/use of funds, Designated Account statements, and annexes detailing partner-level expenditures and credit disbursements to end beneficiaries.

External Audit: The programme's external audit will be conducted by the Audit Bureau of Jordan (ABoJ)—the country's Supreme Audit Institution (SAI)—in accordance with INTOSAI standards and IFAD's financial reporting and audit requirements or private auditors. The scope of the audit will include verification—on a sample basis—of loans and grants extended to end beneficiaries, to ensure funds have been used for their intended purposes. The audit will also assess internal controls and

compliance with financing agreements.

215. The Terms of Reference (ToR) for the external auditor will be subject to IFAD's No Objection. The audited financial statements and management letter must be submitted to IFAD within six months of the fiscal year-end. Where feasible, internal audit functions will complement external audits to strengthen assurance mechanisms.

3.8 Procurement

216. In absence of a MAPS (Methodology for Assessing Procurement Systems) and awaiting disclosure of the latest 2025 Public Expenditures and Financial Accountability Assessment for Jordan, the REGEP-UP Procurement Risk Matrix (PRM) (Part A) was prepared based on documentary review of procurement law, regulations, systems and publications; the implementing entity capacity assessment (Part B of the PRM) was prepared based on the current REGEP PIU hosted within JEDCO.

217. The Procurement Risk Analysis revealed a Moderate Risk Rating. Such rating is the basis of setting the procurement thresholds in the Procurement Arrangement Letter (PAL) and reflected in the Procurement Implementation Manual. The Risk Rating for the various pillars of the PRM are as follows:

Part/Pillar/Description	Inherent Risk	Net Risk
A/I/Legal, Regulatory and Policy Framework	Moderate	Moderate
A/II/Institutional Framework and Management Capacity	Moderate	Moderate
A/III/Public Procurement Operations and Market Practices	Substantial	Substantial
A/IV/Accountability, Integrity and Transparency of the PP System	Moderate	Moderate
B/II/Assessment of Programme Complexity	Low	Low
B/III/Assessment of Implementing Agency Capacity	Moderate	Moderate
Overall	Moderate	Moderate

218. In 2022, Jordan has further modernized its procurement framework by issuing Regulations No. 8 and 15 that further align with the digitization, sustainability and anti-corruption agendas. The Jordanian e-procurement system (www.joneps.gov.jo) is operational for centralized procurement. Despite presence of several policy papers, guidance documents, and instructions, there is no compiled manual that guides practitioners and economic operators on public procurement. Despite issuance of new standard procurement documents for goods and works in 2024, the public sector still lacks a standard request for proposals for consulting services. There are, however, standard forms of contract for engineering design and supervision services.

219. Procurement risks relate mainly to vague international publicity requirements, limited use of e-procurement, absence of tangible sustainability practices, limited types of standard procurement documents, absence of strategic procurement planning, absence of SECAP monitoring experiences, challenges associated with grant management, and dilution of responsibilities among multiple procurement committees and programme stakeholders. Programme Procurement is affected by a number of institutional aspects such as the roles of various committees, a hybrid approach of centralized and decentralized procurement, central purchasing and tendering departments, the use of JONEPS- the Jordanian e-procurement platform- and the role of central procurement regulatory commission, supreme audit and complaints bodies.

220. Based on the assessment of the Jordanian procurement framework and in line with experiences in previous and ongoing IFAD Programmes in Jordan, procurement under REGEP-UP will be in accordance with national procurement regulations to the extent such are consistent with the latest IFAD Programme Procurement Guidelines and IFAD Procurement Handbook. This will apply to all funds under REGEP-UP. The National system will be applied to all procurements except for Goods, Works and related Non-consulting services above the threshold for international competitive bidding (ICB) that will be undertaken according to the IFAD Procurement Handbook and in line with IFAD Standard Procurement Documents. The same applies for all consulting services that will also follow the IFAD Procurement Handbook and Standard Procurement Documents. For other procurement methods (NCB and Shopping), national procurement documents, amended to reflect minimum IFAD standards, will be used. As for grants, memoranda or understanding/agreement, and other types of agreements, these shall be based on templates pre-approved by IFAD. Implementing Entities agree to apply a margin of preference based on the bidder's UNGC (United Nations Global Compact) participation when conducting national and international competitive bidding procurement for goods, works and consulting services. Such preferences are elaborated in annex to the PIM.

221. In all transactions, the implementing entities will ensure that the following IFAD Policies and Standards are clearly referred to and complied with:

- IFAD's Policy on Preventing Fraud and Corruption in its Activities and Operations available at ifad.org/en/document-detail/asset/40738506;
- IFAD's Policy to Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse available at ifad.org/anticorruption_policy_and
- IFAD's Anti-Money Laundering and Countering the Financing of Terrorism Policy available at ifad.org/en/document-detail/asset/41942012;
- IFAD's Social, Environmental and Climate Assessment Procedures (SECAP). Information on SECAP is available on <https://www.ifad.org/en/secap>.

222. In addition, IFAD Reporting Hotline (Office of Audit and Oversight – AUO) should be availed explicitly and clearly in all grant and bidding documents. IFAD's right to Audit will also be spelled out in all contracts. The Procurement Implementation Manual details all areas where the implementing entities will need to adapt national practices to align with IFAD's. Furthermore, Procurement and SECAP staff will be required to be certified by the BUILDPROC and SUSATAIN programmes within the first year of implementation.

3.9 Risks and Risk Management

223. The REGEUP programme integrates a comprehensive risk management approach grounded in the Integrated Programme Risk Matrix (Annex 10) and SECAP Review Note (Annex 5). Risks are categorized as either external or programme-specific, and as inherent or residual. This dual classification enables effective adaptation and mitigation, particularly in light of Jordan's economic pressures, regional instability, and severe water scarcity.

224. **External and climate risks are moderate.** Jordan's high public debt, reliance on aid, and youth unemployment create macroeconomic challenges. These are compounded by climate change impacts, including intensifying drought, flooding, and extreme heat, which threaten agriculture and water supplies. The programme mitigates these risks by blending grant financing with investments in water efficiency, livelihood diversification, and climate-adaptive enterprises.

225. **Internal programme risks are considered low.** Drawing lessons from previous phases, the programme features a simplified, resilience-focused design. Risks related to institutional performance and start-up delays are addressed through phased activities, early recruitment of specialized staff, reinforced monitoring and evaluation, and meticulous implementation planning.

226. **Financial and procurement risks are significant.** Challenges include complex fund flows, coordination among multiple entities, and systemic procurement weaknesses. Mitigation measures include a centralized management unit with dedicated finance staff, robust internal controls, cash-basis accounting (IPSAS), and annual external audits. A detailed procurement strategy with standardized templates will ensure compliance and transparency.

227. **Environmental and social (E&S) risks are rated moderate.** The programme promotes sustainable, water-efficient production and supports vulnerable groups, including women, youth, and refugees. Potential E&S risks, such as increased resource consumption or unsafe working conditions, are managed through capacity building on climate-smart practices, E&S screening for all loans, and a robust Grievance Redress Mechanism.

228. **Start-up risks** are addressed through early recruitment of key staff and TA providers, synchronization with budget cycles, and use of IFAD's Start-Up Toolbox. Past delays in rural finance sequencing and institutional constraints have informed more rigorous implementation planning.

229. Despite some remaining contextual and fiduciary risks, REGEUP is strongly aligned with Jordan's national goals and IFAD's strategic priorities. It embeds sound mitigation and adaptation mechanisms, ensuring both implementation feasibility and consistent IFAD oversight.

3.10 Implementation Readiness

230. This section outlines the critical programme preparation activities to be undertaken for REGEUP between the completion of the programme design phase and the commencement of full implementation.

231. Programme Management and Coordination Unit (PMCU) Establishment and Operationalization

- *Finalize the Programme Implementation Manual (PIM):* The REGEUP PMCU will complete the final PIM, which will serve as the main reference tool for programme implementation.
- *Establish Programme Oversight and Coordination Bodies:* Formalize the Programme Steering Committee (PSC) and its meeting schedule. Establish the Development Partners' Coordination Committee. Set up the Technical Committee, chaired by the Programme Manager (PIM Section 4).

232. Financial Management System Setup

- *Procure/Update Accounting Software:* The Programme Financial Specialist, in consultation with JEDCO Finance Manager, will ensure the accounting software (QuickBooks or an improved version) meets programme needs.
- *Finalize Financial Management Arrangements in PIM:* The Programme Financial Specialist, with JEDCO Finance Manager, will review and improve the financial management arrangements in the PIM, subject to IFAD no objection.
- *Prepare First Annual Work Plan and Budget (AWPB):* The Programme Manager will oversee the preparation of the first AWPB, subject to IFAD no-objection.
- *Establish Bank Accounts:* Open two designated accounts with the Central Bank of Jordan (one for IFAD PBAS & BRAM Loans, one for IsDB Loan). Open two operational accounts (JOD) with commercial banks. Authorize Bank Signatories and establish and document authorized signatories for all programme bank accounts.
- *Develop Chart of Accounts:* Ensure the accounting software includes a Chart of Accounts catering to all components, categories, funding sources, and activities

233. Monitoring & Evaluation (M&E) System Establishment:

- *Validate Theory of Change (ToC) and Logframe:* Review and validate the programme's ToC and Logical Framework.
- *Develop M&E Plan:* The M&E Specialist will lead the development of a comprehensive M&E Plan, outlining indicators, data

sources, responsibilities, reporting timelines, and methodologies.

- *Set Up Management Information System (MIS) for M&E*: Initiate the development of a custom-made, cloud-based M&E MIS. This includes conceptual design by the M&E Specialist and engagement of a service provider for technical development.
- *Conduct Core Outcome Indicator (COI) Baseline Survey*: Outsource and oversee the implementation of the COI baseline survey in Programme Year 1. This involves developing ToRs (IFAD approval needed), selecting a service provider, and quality control.
- *Prepare Baseline Report*: The M&E Specialist oversees the preparation and quality assurance of the baseline report based on the survey findings.

234. Procurement and Contract Management Framework

- *Prepare Initial Procurement Plan (PP)*: Develop the first 18-month Procurement Plan using the OPEN interactive interface, aligned with the AWPB. Submit the PP to IFAD for No Objection well in advance of planned procurement activities.
- *Publish General Procurement Notice (GPN)*: Secure IFAD's No Objection and publish the initial GPN covering the first 18 months of implementation.
- *Adopt Standard Procurement Documents (SPDs)*: Ensure all SPDs to be used are in line with IFAD requirements and national laws, obtaining IFAD review for national templates if necessary.

235. Environmental and Social Safeguards (SECAP) Preparations

- *Oversee ESAP Implementation by Financial Intermediaries*: Ensure that the Agricultural Credit Corporation (ACC) and Central Bank of Jordan (CBJ) begin implementation of their agreed Environmental and Social Action Plans (ESAPs) to align their ESMS with IFAD.

236. Cross-Cutting Systems and Strategies Development

- *Develop Knowledge Management (KM) and Communication Strategy*: Develop an integrated KM and Communication Strategy during the programme start-up phase, outlining systems for generating, capturing, and disseminating knowledge (PIM Section 8.4).

237. Partnership Agreements and Legal Formalities

- *Finalize Programme Implementation Agreements (PIAs)*: The PMCU to ensure the timely establishment of clear PIAs with each of the main Programme Parties (e.g., CBJ, ACC, NGOs), detailing duties and responsibilities.
- *Finalize Subsidiary Loan Agreements (SLAs)*: Ensure the establishment of SLAs between MOPIC, ACC, and CBJ for the financing of the Rural Finance Fund.
- *Formalize Agreements for Inclusive Rural Finance Component (Component 2)*: Sign Loan Implementation Agreements with CBJ and ACC, incorporating borrower eligibility criteria and lending guidance. CBJ to conduct the selection of Participating Financial Institutions (PFIs). ACC to prepare for lending activities by setting up its loan tracking and monitoring systems.

238. This list represents the primary activities. The PIM should be consulted for further details on each activity. Successful completion of these preparatory steps is crucial for a smooth and effective launch of the REGEP-UP programme.

Footnotes

1.1 Project in brief

[1] Discussions are being held with UN Women to join IFAD-IsDB cofinancing as parallel co-financier. More details will be available by end 2025. The PDR and cost tables will be amended accordingly.

1.2 National or Regional Context

[1] Jordan is one of the most water-poor countries in the world for renewable freshwater with around 61 cubic meter per capita in 2021. This is expected to decrease to 35 cubic meters by 2040. Below 1,000 m³ per capita per year, countries are considered to face 'water scarcity', and below 500 m³ 'absolute water scarcity'.

[2] 1 dunum = 1,000 m², = 0.1 hectare

[3] Increasing levels of food waste during ceremonies and public events is also driving this (Rabbah et al. 2023)

[4] <https://www.numberanalytics.com/blog/islamic-banking-in-jordan-a-historical-overview>

[5] <https://www.jlhc.com/en/service/loan-guarantee-programs>

1.3 Strategic Alignment

[1] <https://www.afi-global.org/wp-content/uploads/2024/10/National-Financial-Inclusion-Strategy-2023-2028.pdf>

1.4 Portfolio and Lessons Learned

[1] IFAD: Supervision mission report, November 2024

[2] PMCU Figures 2025

[3] IFAD, Supervision mission report, 2024.

[4] See Al-Karablieh, et. al (2012). Estimation of the Economic Value of Irrigation Water in Jordan. Journal of Agricultural Science and Technology,. 487-497. And FAO: Jordan - Water along the food chain, 2015

[5] REGEF Supervision mission reports, various reports.

1.5 Rationale and IFAD's comparative advantage

[1] BTI 2024 [Country Report](#). Jordan.

2.2 Targeting Strategy

[1] 100 JOD according to NAF; 65 JOD according to DOS (2020)

2.4 Component, Sub-component and Activities

[1] This will also inform the policy dialogue and could lead to a policy study.

[2] <https://www.gpfi.org/sites/default/files/documents/Core-Competencies-Framework-Adults.pdf>

2.6 Project financing

[1] On the request from the Italian cooperation, a concept note followed by a full proposal were submitted to cover the US\$ 4 million gap. Decision will be communicated by the first quarter of 2026.

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Annex 1: Key Files

Mission Dates: 26/04 to 16/05/2025

Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
Programme Management Department

Annex I: Key Files

Table 1: Rural poverty and agricultural sector issues (key file table 1)

Priority area	Affected groups	Major Issues	Actions needed
e.g. rural poverty, nutrition, gender equality, environmental degradation or market linkages	Where possible, link the identified groups to the typology in Key File table 4	Identify several issues per priority area	Match each issue with a proposed action
Rural poverty	Poor landless and vulnerable households and smallholder families farming small plots (between 1 and 2 hectares)	15,7% of the population live below the national poverty line. - Poverty is concentrated in rural and peri-urban areas and in poverty pockets across the country - Climate-induced water scarcity along with soil and natural resource degradation is a major development issue in Jordan and a critical driver of poverty especially in rural areas. - Low productivity, which is driven by lack of extension support and poor access to sustainable intensification packages. - Despite the inclusive policies of the government of Jordan, refugees, especially Syrians, are not allowed to own land. They face marginalisation in society, and they face marginalisation in society and labour markets and are highly food insecure (76%) - Rural labour markets present limited opportunities. Employment in agriculture is seasonal, insecure and poorly paid. - Farmers are poorly organised and with limited access to extension and financial services.	- Geographic targeting, including the definition of poverty-focused criteria to identify poverty pockets and climate vulnerable areas and define spatially calibrated approaches. - Selection of pro-poor crops with lower water footprints and value chains with the highest crop value per unit of water - Focus on water, through the dissemination of pro-poor water harvesting technologies and water efficient irrigation systems. - Training on climate-resilient agriculture, with a focus on integrated pest management, soil and water conservation, organic farming, and drought resistant seeds through FFSs and extension. - Access to finance, especially matching grants and credit lines to enable poor farmers to invest in irrigation and climate-resilient agriculture. - Market access by organising farmers in groups and cooperatives and building inclusive and climate-resilient value chains. - Tailored support to the poorest groups, including landless families and refugees, by supporting home-based food processing and value-addition. - Green job creating though vocational training, mentorship and incubation.

Non-inclusive value chains	Poor farmers, input suppliers, marketing institutions and MSMEs	Production Challenges: Limited access to resources: Smallholders often lack access to essential resources like land, water, credit, and quality inputs (seeds, fertilizers, etc.), which limits their productivity and ability to meet market demands. Outdated farming practices: Many smallholders rely on traditional farming methods that may be less efficient and produce lower yields compared to modern techniques. Climate change impacts: Increasingly erratic weather patterns, droughts, and water scarcity pose significant challenges to agricultural production, affecting yields and income stability. Market Access Challenges: Lack of market information: Smallholders often lack access to timely and reliable information about market prices, demand, and quality requirements, making it difficult to make informed decisions. Limited bargaining power: Due to their small scale and fragmented nature, smallholders have weak bargaining power with traders and intermediaries, often resulting in lower prices for their products. Poor infrastructure: Inadequate transportation, storage, and processing	Improving infrastructure: Investing in rural infrastructure, including roads, transportation, storage, and processing facilities, can improve market access and reduce post-harvest losses. Promoting sustainable agricultural practices: Encouraging the adoption of climate-resilient and sustainable agriculture practices can improve resilience to climate change and increase productivity. Enhancing access to finance: Providing access to affordable credit and financial services tailored to the needs of smallholders can enable them to invest in their farms and businesses. Facilitating access to technology and information: Promoting digital literacy and providing access to information and communication technologies can empower smallholders with knowledge and market information. Strengthening farmer collective actions: Supporting the development of strong farmer organisations and organizations can enhance collective bargaining power, facilitate access to markets and resources, and provide training and extension services.

		facilities in rural areas make it difficult for smallholders to access markets and add value to their produce. Institutional and Policy Challenges: • Lack of access to finance: Smallholders often struggle to secure loans and financial services due to lack of collateral and credit history, limiting their ability to invest in their farms and businesses. • Complex regulations and bureaucracy: Navigating complex regulations and bureaucratic procedures can be challenging for smallholders, hindering their access to government support and market opportunities. • Limited farmer organizations: Weak farmer organizations and cooperatives limit the collective bargaining power and market access of smallholders. Technological Challenges: • Limited access to technology: Many smallholders lack access to modern technologies and digital tools that can improve productivity, market access, and information sharing. • Lack of digital literacy: Even when technology is available, many smallholders lack the skills and knowledge to use it effectively.	

Climate incl. water	• All value chain actors, but in particular agricultural producers	• Water scarcity with limited renewable water resources with current strategy using conventional agricultural water management strategies instead to focus on water as the most limiting resources • Climate variability including increase in temperature and variability and decrease of precipitation reducing yield btw 5 to 20 % and limited knowledge and accessibility of on farm and landscape adaptation options to support small scale farmers • Soil degradation including salinisation due to climate change and unsustainable land management practices. • High risk of flood especially in the Jordan valley with limited capacity of water drainage system to drain excess water and field level water conservation technique • Soil and water pollution due to overuse of Chemical pesticides and fertilized, plastic residue and poorly treated wastewater	• Prioritize support to water crop saving with good water economical productivity • Sensitization and participatory analysis of the effects of climate change on horticulture activities and identification of adaptation practices to be adopted in production and entrepreneurship development. • dissemination and capacity building of climate resilient options to farmers and extension services • monitoring and documentation with farmers of socioeconomic and adaptation benefits of water saving and soil conservation • Capacity building and investment in soil conservation technique including use of organic fertilizer and material • Technical assistance and investments to support open-field vegetables be converted to regular greenhouses, field level water harvesting, rainwater harvesting storage infrastructure, efficient irrigation system, and maintenance and management of these infrastructure • financial support and incentives to farmers willing to change
Gender equality	• Women, including women household heads; young women and female refugees.	• Restrictive social norms hinder women's participation in rural labour markets and decision-	• Formation of women-led FFSs focusing on food processing. • Women-targeted support (e.g. training, mentorship and

		making over income and expenditures. • Insufficient programmes for incubation and enterprise development targeting rural women. • Gender pay-gap and poor labour conditions in agricultural sector. • Women household heads are typically landless. • Poverty, water scarcity, poor wages and climate-induced risks tend to exacerbate gender inequalities and violence against women and girls, especially intimate partner violence. • Women refugees and women household heads are overrepresented among the poorest groups. • More than 50% of women aged 15-49 are overweight or obese and more than 40% have a type of anaemia. • Mobility restrictions (Geographical challenge) that hinder women from participating in capacity-building and incoming generating activities • Limited participation in decision making and leadership positions/ community roles	incubation) to develop women-led businesses mostly in food processing, value-addition and other activities of the value-chain where they have a comparative advantage. • Matching grant scheme microcredit and financial literacy tailored to the needs of rural women producers. • Promoting women's access to water harvesting and climate resilient technologies. • Gender training and gender norms dialogue sessions addressing discriminatory social norms across different institutional domains (including rural labour market) and GBV. • Nutrition education to promote women's access to a healthy and balanced diet. • Community awareness raising and promoting women leadership and participation in decision making
Youth	• Youth, including unemployed young women and men; youth entrepreneurs and young refugees.	• Jordan has one of the youngest demographic structures among the middle-income countries of the Arab region, with children under 18 years representing 40	• Vocational training, and business development services (BDS), including, mentorship and incubation for employment generation and green job

		per cent, and young people (aged 15- 24 years) accounting for 20 per cent of the total population • High unemployment rates among the youth population (more than 40 percent), higher for female (60 percent) and in poor rural areas. • Young women tend to stay at home as employment outside of the household is often considered to be socially inappropriate. • Limited government interventions to support youth's employment. • Limited access to an already scarce and degraded natural resource base and poor access to land.	creation Earmarked matching grant scheme. • Gender norm dialogue sessions addressing restrictive social norms (including early marriage) that hinder the participation of young women in employment and self-employment. • Community participatory interventions, and supporting youth-led groups, businesses, and awareness raising to support youth leadership and participation in developing programme's planning and processes • Building the capacity of young women and men and youth employing MSMEs to access green financing opportunities.
	• Women of reproductive age, young children, poor rural households, refugees, adolescent girls, people living in poverty pockets and remote areas	• High prevalence of overweight and obesity, particularly among women (over 50% of women aged 15–49 are overweight or obese). High rates of anaemia among women (over 40%) and poor micronutrient status in children • Limited dietary diversity, especially in rural and low-income households • Inadequate access to safe, nutritious, and affordable food, exacerbated by rising food prices and climate-related production shocks • Limited nutrition education and awareness	• Integration of nutrition-sensitive approaches into agricultural value chain development • Training on basic nutrition concepts and healthy diets, especially targeting women, youth, and caregivers • Nutrition education including through rural financial literacy programmes, and women's groups • Support to small-scale processing, storage, and marketing of nutrient-rich and safe foods (e.g. dairy, pulses, leafy vegetables) • Capacity building on food hygiene, labelling, and safety

		- Limited integration of nutrition objectives in agricultural value chains and local food systems - Food safety concerns related to informal markets and lack of standards compliance in small-scale processing	standards for MSMEs and smallholders engaged in food production and transformation
Access to finance	- Agricultural producers - Smallholder farmers - Subsistence/unregistered farmers	Agricultural producers - Limited availability of tailored financial products for agriculture - Difficulty in managing seasonal cash flows and repayment schedules Smallholder farmers - Lack of credit history and formal financial records - Limited access to formal financial services, especially in rural areas - High interest rates and unfavourable loan terms - Insufficient knowledge of financial products and services Subsistence/unregistered farmers - Exclusion from formal financial systems due to lack of registration and documentation - High vulnerability to financial shocks with no access to credit or insurance - Reliance on informal lenders with high interest rates	Agricultural producers - Develop flexible, agriculture-specific financial products (e.g., loans with seasonal repayment schedules) - Provide capacity building support to PFIs to have them develop these financial products and adjust their lending policies and procedures accordingly Smallholder farmers - Provide financial literacy training and support to smallholders to improve their creditworthiness and understanding of financial products - Provide access to tailored microfinance programs that reduce collateral requirement Subsistence/unregistered farmers - Ensure low-barrier access to microloans, allowing gradual integration into formal financial services while mitigating risks - Provide community-based financial literacy, focusing on basic financial management, informal saving techniques, and the benefits of gradually transitioning to formal financial services

Table 2: Organisational capabilities matrix (key file table 2)

Organisation	Strengths	Weaknesses	Opportunities	Threats
	•	•	•	•
Jordan Enterprise Development Corporation (JEDCO)	Expertise in SME Development: - JEDCO has a strong track record in supporting small and medium enterprises (SMEs) through various programs and initiatives aimed at enhancing their competitiveness and market access Government Support: - Being a Quasi-governmental organization, JEDCO enjoys strong backing from the Jordanian government, which provides it with the necessary resources and political support to implement development programmes effectively Extensive Network: - JEDCO has established extensive networks with local and international partners, including development agencies, financial institutions, and industry associations, which enhances its ability to mobilize resources and expertise Experience with International Programmes: - JEDCO has experience in managing and implementing programmes funded by international donors, such as IFAD, the European Union and the World Bank, which adds to its credibility and capability in	Bureaucratic Processes: - As a quasi-governmental entity, JEDCO may face bureaucratic hurdles that can slow down decision-making and programme implementation Limited Financial Resources: - Despite government support, JEDCO's budget constraints can limit its ability to fund large-scale or long-term programmes independently Dependency on Donor Funding: - JEDCO relies heavily on donor funding for many of its programmes, which can lead to financial instability and programme discontinuity if donor priorities change	Increased Focus on Digital Economy: - The growing emphasis on digital transformation and the digital economy in Jordan presents opportunities for JEDCO to develop and support tech-based solutions and innovation hubs Regional Trade Agreements: - Jordan's participation in regional trade agreements and partnerships, such as the Agadir Agreement, opens up new markets for Jordanian SMEs, providing opportunities for JEDCO to facilitate market access and export development Youth Entrepreneurship Programs: - With a significant portion of Jordan's population being young, there is an opportunity for JEDCO to focus on youth entrepreneurship programs, which can foster innovation and create employment opportunities Climate Change Adaptation Programmes: - Increasing global and local focus on climate change adaptation provides opportunities for JEDCO to support green businesses and sustainable practices within SMEs,	Economic Instability: - Jordan's economic challenges, including high public debt and unemployment rates, can impact JEDCO's ability to implement and sustain development programmes effectively Regional Political Instability: - Political instability and conflicts in the region can disrupt economic activities, affect investor confidence, and pose risks to the continuity of development programmes Competition for Donor Funds: - There is increasing competition for donor funds among various development agencies and NGOs, which could limit JEDCO's access to necessary financial resources Changing Donor Priorities: - Shifts in donor priorities and international funding landscapes can affect the availability of financial support for JEDCO's initiatives, leading to potential programme disruptions

	handling large-scale development initiatives		leveraging international funds dedicated to environmental sustainability	
Jordan River Foundation (JRF)	1. Strong Community Engagement: - JRF has a robust presence in Jordanian communities, effectively engaging with local populations through grassroots initiatives. This strong community connection enhances the impact and relevance of its development programmes 2. Diverse Program Portfolio: - JRF implements a wide range of programs, including economic empowerment, child protection, education, and social entrepreneurship. This diversity allows the foundation to address multiple facets of development and provide comprehensive support to communities 3. High Credibility and Reputation: - Established by Her Majesty Queen Rania Al Abdullah, JRF enjoys high credibility and a strong reputation both locally and internationally. This helps in attracting partnerships, funding, and support from various stakeholders	1. Funding Dependency: - JRF relies significantly on external funding from donors and international organizations. This dependency can lead to financial instability if funding priorities shift or if there are reductions in donor contributions 2. Resource Constraints: - Despite its strong reputation, JRF sometimes faces resource constraints that limit the scale and reach of its programmes, particularly in rural and underserved areas 3. Bureaucratic Challenges: - As with many large NGOs, JRF may encounter bureaucratic hurdles that slow down programme implementation and affect operational efficiency	1. Expanding Digital and Technological Initiatives: - There is significant potential for JRF to expand its digital and technological initiatives, particularly in education and economic empowerment programs. Leveraging technology can enhance the effectiveness and reach of its programmes 2. Strengthening Partnerships: - JRF can further strengthen partnerships with local and international organizations, private sector entities, and government agencies to enhance resource mobilization, share expertise, and scale up successful initiatives 3. Focus on Sustainable Development Goals (SDGs): - Aligning its programmes with the UN Sustainable Development Goals (SDGs) presents opportunities for JRF to attract funding and support from international donors committed to these global targets	1. Economic Instability: - Jordan's economic challenges, such as high public debt and unemployment, can impact the effectiveness and sustainability of JRF's development programmes. Economic instability may also reduce local funding sources 2. Regional Conflicts and Instability: - Political instability and conflicts in the region can disrupt programme implementation, affect the safety of staff and beneficiaries, and lead to fluctuations in donor funding 3. Donor Dependency and Changing Priorities: - Heavy reliance on donor funding exposes JRF to risks associated with changing donor priorities and reductions in aid, which can affect programme continuity and sustainability

	4. Innovative Approaches: - JRF is known for its innovative approaches to social issues, such as the implementation of social enterprises that provide sustainable income for beneficiaries while addressing social challenges 5. Experience with Donors: - JRF has experience in managing and implementing programmes funded by international donors, such as IFAD, the European Union and the World Bank, which adds to its credibility and capability in handling large-scale development initiatives		4. Youth and Women Empowerment: Given the high youth unemployment rate and the need for gender equality, JRF can expand its programs targeting youth and women, offering skills training, entrepreneurship opportunities, and support for small businesses	4. Cultural and Social Barriers: Cultural and social norms may sometimes pose challenges to the implementation of certain programmes, particularly those related to gender equality and women's empowerment
National Agricultural Research Center (NARC)	1. Research Expertise: NARC has a strong foundation in agricultural research, with expertise in various fields such as crop science, animal husbandry, water management, and biotechnology. This enables them to provide scientifically backed solutions to agricultural challenges 2. State-of-the-Art Facilities:	1. Bureaucratic Processes: Being a government institution, NARC may face bureaucratic hurdles that can slow down decision-making and programme implementation, affecting efficiency and responsiveness 2. Human Resource Constraints:	1. Focus on Climate-Resilient Agriculture: With the increasing impact of climate change on agriculture, there are significant opportunities for NARC to focus on developing and promoting climate-resilient agricultural practices, which can attract international funding and partnerships 2. Expansion of Research Programs:	1. Economic Instability: - Jordan's economic challenges, including high public debt and unemployment, can impact the availability of funds for research and development programmes and affect the stability of NARC's operations 2. Climate Change: - The adverse effects of climate change, such as

	- The center is equipped with modern laboratories, research farms, and advanced technology, which enhances its capability to conduct cutting-edge research and implement innovative agricultural practices 3. Government Support: - As a governmental institution, NARC enjoys substantial support from the Jordanian government, including funding and policy backing, which helps in the smooth implementation of development programmes 4. Collaboration with International Bodies: - NARC has established strong partnerships with international research organizations and development agencies, facilitating knowledge exchange, capacity building, and access to global research networks	There can be limitations in attracting and retaining highly skilled researchers and technical staff due to competition with the private sector and international organizations	- There is potential to expand research programs into emerging areas such as precision agriculture, sustainable farming practices, and renewable energy in agriculture, leveraging new technologies and methodologies 3. Strengthening Extension Services: - Enhancing extension services to better disseminate research findings and practical applications to farmers can improve agricultural productivity and sustainability, thereby increasing the impact of NARC's work	water scarcity, increased temperatures, and extreme weather events, pose significant challenges to agricultural research and development, requiring continuous adaptation and innovation 3. Regional Political Instability: - Political instability and conflicts in the region can disrupt research activities, impact funding, and pose risks to the safety and security of researchers and programme staff 4. Competition for Resources: - There is increasing competition for funding and resources among research institutions, both locally and internationally, which can limit the financial and material support available to NARC
Advance consulting	1. Expertise in Programme Management: Advance Consulting has a strong track record in managing development programmes across various sectors, including	1. Resource Constraints: Despite their capabilities, Advance Consulting may face limitations in financial and human resources, particularly when	1. Partnerships with Local Entities: Strengthening partnerships with local organizations, government agencies, and NGOs in Jordan can enhance their programme implementation capabilities	1. Competitive Landscape: The development sector in Jordan is highly competitive, with numerous international and local organizations vying for funding and

	agriculture, renewable energy, and SME development. Their expertise in programme design, implementation, and monitoring ensures effective programme execution 2. Global Network: - The company has established a robust global network of partners and clients, which enhances its ability to leverage international best practices and resources. This network includes collaborations with international development agencies, governments, and private sector stakeholders 3. Technical Expertise: - Advance Consulting is known for its technical expertise in areas such as value chain development, financial inclusion, and capacity building. This technical know-how allows them to address complex development challenges effectively 4. Innovation and Adaptability: - The firm is recognized for its innovative approaches to development challenges, including the use of digital tools and data-driven decision-	managing large-scale programmes simultaneously. This can impact their ability to scale operations and deliver consistently across multiple programmes 2. Dependence on External Funding: - The firm relies heavily on external funding from donors and international agencies. This dependence can create vulnerabilities, particularly if there are shifts in donor priorities or reductions in available funding 3. Limited Local Presence: - While Advance Consulting has a strong international presence, their local footprint in Jordan may be limited compared to more established local entities. This can affect their ability to engage deeply with local communities and stakeholders	and ensure greater alignment with local needs and priorities	programmes. This competition can limit the opportunities available to Advance Consulting and affect their market positioning 2. Regulatory and Bureaucratic Hurdles: Navigating the regulatory and bureaucratic environment in Jordan can be challenging, potentially leading to delays in programme approvals, implementation, and reporting. This can affect programme timelines and outcomes

	making. Their adaptability to changing programme requirements and environments is a significant strength			
Central Bank of Jordan (CBJ)	• Successful prior experience in implementing credit lines • Regulator and supervisor of the financial sector, with authority to enforce decisions. • Takes full responsibility for repayment, ensuring strong risk management • Provides excellent and timely reporting • Open to innovation, such as piloting microloan credit lines via banks	• Potential delays in signing subsidiary loan agreements (SLAs) • Adds an additional intermediary layer, which may complicate processes and increased the cost of lending	• Further innovation through expanding pilot programmes for microloans • Leverage its regulatory role to foster broader financial inclusion in rural areas	• Delays in SLA signing could slow down programme implementation
Agricultural Credit Corporation (ACC)	• Prior agricultural lending experience under IFAD programme • Well-established and trusted lender among rural residents • Offers affordable interest rates, making loans accessible to rural farmers • Branch network across the country • Focus on microlending	• Inflexible loan products with one-size-fits-all terms and conditions • Poor loan discipline and repayment enforcement • Lack of adaptability in creating customized financial products for diverse needs, not open for innovation • Incomplete reporting, not in line with IFAD requirements	• Provision of microloans at more affordable interest rates as compared to MFIs	• Poor loan portfolio quality • Inflexible loan products may not be attractive or suitable to borrowers • Lack of reporting in accordance with IFAD requirements
Development and Employment Fund (DEF)	• Experience with a variety of lending programs, both direct and indirect	• Not a licensed provider of financial services, which may create regulatory challenges • Unclear risk-sharing structure for loan defaults,	• Use of DEF's infrastructure for financial literacy programs • Potential channel for indirect microlending, especially for unregistered farmers or	• Lack of experience in agricultural lending may lead to poor product-market fit and low success in rural areas

	- Affordable interest rates, making loans accessible to a broader audience - Engages in indirect lending through MFIs and community-based organizations (CBOs) - Provision of non-financial services, including business planning and skills development	creating potential financial exposure for the programme - No experience in agricultural lending, limiting its immediate effectiveness in rural finance - Loan tracking not in line with regulatory standards or IFAD requirements - Loose credit discipline	microenterprises in rural areas via MFIs	Lack of reporting in accordance with IFAD requirements

Table 3: Complementary donor initiatives / partnership potential (key file table 3) (Thoodan and Peter)

Donor/Agency	Programme	Geographical Area	Remarks
Global Green Growth Institute (GGGI), JRF	Consultancy Services to implement a Green Business Incubator	Amman, Irbid, Mafrq and Zarqa	The programme aims at implementing Green Business Incubation Program to support and nurture 150 green entrepreneurs and startups, particularly in their early stage in the targeted locations. Each of the selected green entrepreneurs and startups will receive strategic business development support which enables them to refine their ideas and business models, as well as open doors for access to funding and linkages. The programme will achieve its outlined objective through the provision of a well-structured 6-month incubation program comprising capacity building program on Green Business Incubation Curriculum, mentorship support and granting to initiate their enterprises.
Agence Française de Développement (AFD), JRF	20 Dunums for Change (20D4C): Economic empowerment of small holders and agricultural workers in Irbid and Mafrq Programme	Irbid, Mafrq	20D4C was launched to leverage the role of smallholder farmers in food security interventions through activities designed to support market entry, advocate climate-smart agriculture, and financial inclusion, while promoting practices that adhere to decent work environments and labor rights. The programme is guided by meticulous market assessments, driving interventions that focus on entrepreneurial resilience and reliance, and improve rural livelihood opportunities, responding to Jordan's National Food Security Strategy 2021 – 2030. The programme is funded by Agence Française de Développement (AFD) and implemented by JRF in collaboration with the Norwegian Refugee Council, Save the Children, Helvetas Swiss Intercooperation, and under

			the supervision of the Ministries of Labor, Agriculture and Social Development.
IFAD-MoA, JRF	Small-Ruminants Investment and Graduating Households in Transition – SIGHT	Mafrqa, Jerash, Madaba, Amman Irbid, Ajloun, and	Implemented in Mafrqa, Irbid, Jerash, Ajloun, Madaba, and Amman, the programme is designed to empower Syrian refugees and local host communities through livelihood support interventions including access to financial services, vocational and entrepreneurial training in addition to job placement services for agricultural entrepreneurs. Interventions are customized based on detailed socio-economic assessments designed to promote resilience and self-reliance. The programme is funded by the International Fund for Agricultural Development (IFAD), in collaboration with the National Agriculture Research Centre (NARC), the National Aid Fund (NAF), the Jordanian Hashemite Fund for Human Development (JOHOUD), and UNHCR in collaboration with relevant community-based organizations, and under the supervision of the Ministry of Agriculture.
BPRM, JRF	Reinforcing Self-Reliance and Resilience in Displacement Affected Communities	Aqaba	The programme is designed to address the needs of vulnerable communities in Aqaba, enhancing social cohesion and strengthening community participation, offering support and training to help develop their entrepreneurial and employability skills, in turn increasing access to sustainable income generation and employment opportunities. The programme is funded by The Bureau of Population, Refugees, and Migration (BPRM) and implemented through the Danish Refugee Council (DRC) via JRF and under the supervision of the Ministries of Labor and Digital Economy and Entrepreneurship.
Aqaba Governorate Council, JRF	Support & Development of Local Communities in Aqaba	Aqaba	Women and youth's economic contribution to Jordan's growth and development is the driving force behind JRF's continuous efforts to empower female entrepreneurs and employees through programmes that promote social innovation and tech driven programmes. Funded by the Aqaba Governorate Council, the programme aims to boost the educational efficiency and innovation skills of youth and women across Aqaba and its villages through interactive sessions, including JRF's Mobile Innovation Lab, reaching remote villages and marginalized neighbourhoods. Sessions also address awareness pertaining to child protection and safe internet usage. Programme stakeholders include the Jordanian Hashemite Fund for Human Development, schools, community and training centres, orphanages, in addition to tourism and hospitality companies.
Regional Development and Protection Programme (RDPP), JRF	Resilience through Livelihood Support for Syrian Refugees & Host Communities	Amman, Irbid, Mafrqa, Aqaba	Funded by the Regional Development and Protection Programme (RDPP), the programme aims to sustain livelihoods and strengthen the resilience of Syrian refugees and Jordanian host communities through a series of capacity building programs, and access to finance tools while prioritizing green entrepreneurship and jobs.

UNHCR, JRF	Refugee capacity for self-reliance is strengthened through access to livelihood and financial inclusion opportunities	Amman, Irbid, Ajloun, Mafraq, Tafleh, Ma'an, Aqaba	The UNHCR-funded programme is designed to create sustainable livelihood pathways through trainings addressing vocational skills and self-reliance for urban refugees and vulnerable Jordanians. JRF aims to contribute to national efforts exerted to address Jordan's vocational skills shortage through interventions designed to promote employment and entrepreneurship via tailored coaching, guidance, referrals, and seed funding.
UNICEF, JRF	Social Innovation Incubators	All Governorates	SII aims to build the capacities of youth via trainings in social innovation and human-centred design. The programme offers youth a variety of social innovation programs including an open-source learning platform, business incubators established to support and develop tech-based entrepreneurial programmes, and facilities offering hands-on learning in robotics, tinkering, and collaborative design and engineering (Hackathons).
AFD, Acted in partnership with Action Against Hunger, Terre des hommes, Phenix Centre for Sustainable Development, ECO Consult, and The Royal Society for the Conservation of Nature, and in coordination with the National Agricultural Research Centre	Grow Economy	Irbid, Ajloun, Madaba, Valleys	Aims to enhance the economic empowerment and labour rights of vulnerable Jordanians, Syrian refugees, and children, particularly within the agriculture sector in Jordan. The 36-month programme aims to improve the livelihoods and resilience of Syrian refugees and vulnerable Jordanians working in the agriculture sector through improving working conditions and fostering increase and diversification of income sources. This will be achieved by: 1) Improving climate-adaptative approaches, productivity and diversifying income sources through both agricultural and non-agricultural revenues, of 600 vulnerable small farming households, for stable and regular income throughout the year, and therefore resilient to unexpected shocks. 2) Improving employability and access to year-round income of 1,500 agricultural labourers (at least 600 women); and 3) Promoting decent working conditions and labour rights in the agricultural sector, particularly for refugees, informal workers, women and children, reaching 1,640 individuals.
Dutch government, the implementation party Advance Consulting	Holland Horti Support Jordan	Amman, Mafraq, Ramtha, Irbid, Jordan Valley	Aims to develop Jordan's horticulture private sector by improving good agricultural practices, labor conditions, access to innovation, finance, and markets for 1,300 horticultural SMEs. Additionally, the organization aims to enhance the business performance of at least 50 supply chain companies, strengthen the capacity of sector institutions, and raise awareness among 75,000 consumers and farmers about the link between sustainable food production and healthy food consumption.

			Together we test and demonstrate cost-effective innovations at farms in the Jordan Valley and the Highlands with the aim to: Increase productivity and profitability. Produce healthy crops with no residues. Reduce water use. Sustain employment and improve conditions of work.
European Union through the European Union Regional Trust Fund for Responding to the Syrian Crisis, the Madad Fund, and by implementing the coalition led by the Euro-Mediterranean Feminist Initiative (EFI) with Business Development Centre (BDC) and Tamkeen.	Madad	Jerash, Ajloun, Deir Alla, Azraq (City and camp), and East Amman	Aims to enhancing the livelihoods of Syrian refugee women and vulnerable Jordanian women through decent work opportunities as well as addressing social, cultural and legal challenges that disable women from engaging in the labour market. Throughout the programme life, more than 3,000 women were trained and qualified to enter the labor market through various training (soft and employability skills, marketing and sales, photography and event management, entrepreneurial skills), and as a result, 435 women were employed in the labor market. In addition to providing women with entrepreneurship training and mentorship and the outcome was that, 330 women started their own businesses, and provide 67 of them with small grants to start their own business.
Kingdom of the Netherlands Jordan Exporters and Producers Association for Fruit and Vegetables- JEPA- local partner	Creating Attractive Opportunities for Livelihood of Youth in Agriculture – (COOL-YA)	Irbid, Mafraq, North Ghour, and South Ghour.	Attract youth to the agriculture sector by making it more appealing and interesting for the young people through bringing elements that excite young people - technology, innovation, entrepreneurship, startups, IT and mentorship. Agriculture technical training collaboration will focus on topics such as pre- and post-harvest operations, as well as how to use and apply modern techniques and approaches in agriculture. In addition, through an on-job training program, this collaboration will connect the trainees to the local job market. Programme objectives: Post-Harvest technical training for semi and non-skilled youth. Participate in DIYA to win grants and start own business. Expand startup companies working in Agriculture sector with seed funds up to 20,000 JOD each.

			Entrepreneurship training for candidates who have business ideas/ established ideas in Agriculture sector. Grants and coaching for qualified candidates who completed the entrepreneurship training. Post-harvest training for farmers on innovative techniques, equipment and tools. Grants of tools and equipment to qualified farmers and cooperatives. Internships for Agriculture Engineers who received post-harvest training for semi-skilled category. On the job training for labor who received post-harvest training for unskilled category. Two job fairs to match trained candidates with private sector. Business Development services for grant receivers under Entrepreneurship for business expansion and job creation purposes.
Cooperazione Internazionale (COOPI)- lead partner Fondazione Giovanni Paolo II (FGPII) - partner EFE-Jordan- local partner Jordan Exporters and Producers Association for Fruit and Vegetables- JEPA- local partner	Bothoor – Inclusive growth and development of micro-enterprises	Ibrid, Zarqa, Russeifah, Tafileh, al-Karak, Mafraq, Balqa, Jerash and Ajloun.	Aims to support access to income opportunities and foster the creation of decent work opportunities for the most vulnerable Syrian and Jordanian refugee population, particularly women, youth and people with disabilities. To contribute to the creation of sustainable livelihoods for the Syrian refugee and the most vulnerable Jordanian host community in the programme target area
FAO, Ministry of Agriculture	Green Cities Initiative (GCI): flagship cities for integrated green oases and food systems”	Local governments, municipality entities, urban and peri-urban stakeholders as well as ministry staff form ministries of agriculture, environment, development and tourism, as appropriate.	Support the urban forestry and urban greening for improved resilience, health and wellbeing of urban communities in drylands. It contributes to the FAO Green Cities Initiative (GCI) and is closely linked to the Better Environment strategic objective, especially on “Achieving sustainable urban food systems”, “climate change mitigating and adapted in agrifood systems” and “biodiversity and ecosystem services for food and agriculture”.

FAO	Transformation to more efficient, inclusive, resilient, and sustainable agrifood systems	All Governorates	The programme's overall aim is to contribute to the sustainable achievement of food security among rural Syrian refugees and vulnerable Jordanian hosts, by enhancing their capacity to successfully participate in efficient sustainable Agri-food systems and building their capacities for decent work opportunities as well as advocating for food waste reduction which has a profound effect on sustainability, food security and rural development through training sessions. As such the programme will address the capacity building, assets, financing, and employment needs of the targeted beneficiaries, through a series of activities related to capacity enhancement, asset distribution, access to micro-financing, access to markets, and job creation.

5: Target group typology, priority needs and potential response

Typology	Poverty level and causes	Coping strategies	Priority needs	Support from other programs	Potential response
Vulnerable smallholder households (55 percent of the target group).	- Landholding size ranges between 0.5 and 1 hectare. - Some own a few livestock - They typically rent land - Low income - Face chronic water shortage and are affected by soil and natural resources scarcity and degradation. - Vulnerability to malnutrition, including obesity and anemia among women. .	- Main income from low paid formal employment (e.g. pensions, police etc.) - May lease out part of their land in exchange for in-kind payment. - Primarily rely on household labor for farming activities. - income usually comes from low-paid seasonal labor. - Actively seeking income generation opportunities. - Reducing household expenses by limiting non-essential spending	- Access to water efficient irrigation for farming. - Access to climate-smart packages for sustainable intensification - More profitable market linkages - Participation in organised farmers groups such as cooperatives. - Improved capacity to manage their farm businesses.	World Bank Agricultural Resilience, Value Chain and Innovations (ARDI)	- Focus on water, through the dissemination of pro-poor water harvesting technologies and water efficient irrigation systems. - Extension and raining on climate-resilient agriculture, with a focus on integrated pest management, soil and water conservation, organic farming, and drought resistant seeds. - Access to finance, especially matching grants and tailored credit lines to enable poor farmers to invest

	- Refugees, agricultural wage labourers and women-headed households are overrepresented among this group. - High dependency ration	and prioritizing basic needs. Informal lending and borrowing often relying on social networks for financial assistance during times of need			in irrigation and climate-resilient agriculture. Market access by organising farmers in groups and cooperatives and building inclusive and climate-resilient value chains.
Poor, landless or near landless households (35 percent of the target group, also including refugees)	- Affected by severe poverty (income below the poverty line, 100 JOD according to NAF) - Seasonal or chronic food insecurity and malnutrition. - High dependency ratio. - Intersectional drivers of poverty especially by gender, refugee status and disability - Remoteness and greater distance from urban centers - Poor and insecure access to land and natural resources. - Shortage of employment opportunities in rural areas.	- Wage labour in agriculture, construction and other low paid sectors. - Beneficiaries of NAF and food assistance programme. - Renting land and sharecropping. - Migration to urban centers.. - Actively seeking income generating opportunities.	- Decent rural employment - Equipment and training for home-based micro-enterprises and greenhouse production. - Investment capital, financial literacy and access to rural financial services. - Nutrition support.	- WFP food assistance programme for refugees - UNICEF Social protection programme.	- Vocational training, mentorship and incubation - Access to grants, financial literacy and microfinance. - Nutrition education and support (e.g. backyard gardening) - Partnership with other programmes targeting this segment.
Commercially oriented smallholder farmers (10 percent of the target group)	- Own larger plots (approximately 3-hectares) - They are vulnerable to water scarcity and climate-related shocks.	- Main income from regular employment. Some might be hobby farmers. - Rely on costly and water inefficient irrigation systems and	- Water efficient irrigation - Climate-resilient agricultural practices - Credit for investments in climate-smart technologies	World Bank Agricultural Resilience, Value Chain and Innovations (ARDI)	Dedicated credit lines for investments in climate-resilient agriculture, including water harvesting technologies and irrigation; solar

	Limited access to finance and extension support.	conventional agricultural practices Some of them are members of organised groups and cooperatives.	More profitable market linkages.		panels, hydroponic production etc. - Development of Climate-resilient value-chains - Training and awareness on wastewater treatment options, IPM, organic production etc.
Women (40 percent of the target group)	- Restrictive social norms limit their participation in income generation and rural employment - Climate change and natural resource degradation further hinder their access to land, water and natural resources. - Gender pay-gap in agricultural wage labour. - Unpaid family labour in agriculture - Excessive work burden as they bear the primary responsibility for care work. - High rates of obesity, micronutrient deficiencies and anaemia - GBV especially intimate partner violence. - Mobility difficulties and therefore limited access	- Most women engage in care work and provide unpaid labour inputs into family farming. - The poorest women and female refugees engage in wage labour outside of the households, where they experience harsh working conditions, including risk of sexual harassment and tend to be paid well below the minimum wage. - More entrepreneurial women engage in home-based micro-enterprise development. - The majority of the beneficiary of NAF is women.	- More positive social norms to enable women participate in income generation and rural labour markets. - Reduction of redistribution of workload. - More secure access to water. - Financial resources for investments in income generation and enterprise development. - Removing gender biases in wages. - Mentorship and business development support. - Support to access a healthy and balanced diet.	- UN Women (UNW) and the International Labour Organization (ILO) hosted the closing event of the Joint Programme "Promoting Productive Employment and Decent Work for Women in Egypt, Jordan, and Palestine" (JPWork4Women) - World Bank-Jordan Country Partnership Framework (CPF) for 2024-2029 which aims to support inclusive and green growth and promote job creation, especially for youth and women.	- Community and HH-based gender norm dialogue sessions addressing inequalities in access to employment, and income, decision-making and workload distribution - Grant resources, financial literacy and microfinance. - Mentorship and business development services. - Water harvesting technologies. - Nutrition education - Capacity and skills building - Opportunities for participation in community planning and decision making

	to resources and opportunities				
Youth (30 percent of the target group)	• High unemployment rates (more than 40 percent) especially among female (60 percent) and in rural areas. • Disempowerment and limited opportunities for participation in decision making • Limited access to financial resources and opportunities	• Young women engage in care work and do not look for employment and income generation outside of the household. • Male youth engage in precarious and poorly paid jobs, including in agriculture.	• Decent employment, • More positive social norms enabling young women to engage in income generation outside of the HH • Incubation and enterprise development opportunities.	UNICEF Youth education programme. World-Bank-Jordan CPF for 2024-2029	• Access to finance: Grant resources, financial literacy and microfinance. (access to financial and non-financial services) • Access to skills: Vocational training, green skills, BDS and mentorship for enterprise development and green jobs. • Access to information • Youth leadership and agency: through empowering youth led groups and businesses and leadership)

Table 5: Programme actors and roles (key file table 5)

Outcome / Component	Activity	Principal institution(s) involved	Supporting institution(s)	Other Possible Partners in Execution
Note that Programme Management is neither an outcome, nor a component! Use components consistent with annex 2.				

1.1 Capacity of small-scale producers and rural MSMEs enhanced	Capacity building for target groups	- NARC - Advance Consulting	JRF	MoA Extension services
1.2 Horticulture value chain enhanced for productivity, competitiveness, climate resilience, and NRM	Provision of grants to target groups	JEDCO	JRF	
2.1. Improved access to financial services for SMEs and microenterprises in rural areas	- Rural finance fund: - SME credit line - Microloan credit line (MFIs) - Microloan credit line (banks)	CBJ	- Banks - MFIs	- DEF - ACC
2.2. Strengthened technical capacity of PFIs	- PFI capacity building - RF product development and launch - Study tour to explore best practices - RF product manual	Outsourced providers		
2.3. Increased financial literacy among rural residents and microentrepreneurs	- Financial literacy - FL course and materials development - FL ToT - FL training rollout	- DEF - JRF	- Production groups - FFS	

3.1 Knowledge dissemination and policy engagement	- Knowledge and policy products - Platforms for joint learning and co-creation	- JEDCO - Higher Council for Food Security - Outsourcing to e.g. MoA, academia, research.	MoA, MOPIC	

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Annex 2: Logframe

Mission Dates: 26/04 to 16/05/2025

Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
Programme Management Department

Rural Economic Growth & Employment Programme Upscaling (REGEUP-UP)

Logical Framework

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Outreach	1 Persons reached by project-supported activities				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Component leads	
	Males (number)	0	3394	8485				
	Females (number)	0	2263	5657				
	Young (number)	0	1697	4243				
	Not Young (number)							
	Non-Indigenous people (number)							
	Total number of persons receiving services (number)	0	5657	14142				
	1.a Corresponding number of households reached				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Component leads	
	Women-headed households (number)	0	0	3535				
	Households (number)	0	5657	14142				
	1.b Estimated corresponding total number of households members				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Component leads	
	Household members (number)	0	26587	66467				
Project Goal Accelerate sustainable rural transformation, by reducing poverty and food insecurity of rural smallholders, increase households' resilience to economic and climate related shocks and improve adaptive capacity in water scarce context.	Reduction in the prevalence of food insecurity measured with Food insecurity experience scale (FIES)				COI Survey (FIES methodology)	Baseline, Mid-term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	Political and economic stability will prevail in Jordan
	Percent reduction (%)	0	5	15				
	Households reporting an increase in resilience measured through the ability to recover from shocks (ATR)				COI Survey	Baseline, Mid-term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Household (%)	0	10	25				
	Household (number)	0	1414	3535				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	Households experiencing upward economic mobility (proxied by asset indicators i.e. household and productive assets)				COI Survey	Baseline, Mid-term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Household (%)	0	10	20				
	Household (number)	0	1414	2828				
Development Objective Increase rural poor’s productive capacity, incomes and generate employment opportunities for the poor, especially women and youth, through sustainable natural resource management practices and MSME development.	2.2.1 Persons with new jobs/employment opportunities				M&E System, COI Survey	Annual, Baseline, Mid-term and Completion	PMCU, M&E Unit, and IPs (Baseline, Mid-term and Impact assessment contractors)	
	Males (number)	0	880	2200				
	Females (number)	0	880	2200				
	Young (number)	0	528	1320				
	Total number of persons with new jobs/employment opportunities (number)	0	1760	4400				
	Small scale farmers and MSMEs reporting at least 20% increase in incomes deriving from agriculture-based activities in the target value chains				COI Survey	Baseline, Mid-term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Small scale farmers (number)	0	880	2200				
	MSMEs (number)	0	674	1686				
	Percentage increase in total factor productivity				COI Survey, M&E System	Baseline, Mid-term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Percentage (%)	0	5	15				
Outcome 1.1 Improved soil and water management practices, and adoption of climate-resilient inputs and technologies to enhance climate adaptation and resource efficiency.	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices				COI Survey	Baseline, Mid-term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	Capacity building results in adoption of climate-resilient inputs and technologies
	Total number of household members (number)		3910	7825				
	Households (%)		40	80				
	Households (number)		832	1665				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	3.2.1 Tons of Greenhouse gas emissions (tCO2e) avoided and/or sequestered				FAO Ex-act methodology	Completion	IFAD/FAO PMCU M&E unit	
	Hectares of land (ha)		280	401				
	tCO2e/20 years (number)		1853	5924				
	tCO2e/ha (number)		4.6	10.3				
	tCO2e/ha/year (number)		0.2	0.3				
	1.2.3 Households reporting reduced water shortage vis-à-vis production needs				COI Survey	Baseline, Mid-term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Households (%)	0	40	80				
	Households (number)		272	544				
	Total number of household members (number)		1029	2557				
	Increase in crop value/unit of water				COI Survey	Baseline, Mid-term and Completion	PMCU M&E unit; Baseline, Mid-term and Impact assessment contractors	
	Ratio (%)		1.1	1.1				
Output 1.1.1 Farmers equipped with climate-resilient inputs and technologies, and capacitated in adaptive agricultural practices and water use efficiency	3.1.4 Land brought under climate-resilient practices				M&E system	Semi-annual/Annual	PMCU, M&E Unit, Implementation Partners, Component leads	Capacity building results in adoption of enhanced production techniques and adequate climate resilient practices and NRM
	Hectares of land (ha)	0	420	1050				
	3.1.3 Persons accessing technologies that sequester carbon or reduce greenhouse gas emissions				M&E system	Semi-annual/Annual	PMCU, M&E Unit, Implementation Partners, Component leads	
	Males (number)	0	412	1029				
	Females (number)	0	274	686				
	Young (number)	0	206	515				
	Total persons accessing technologies (number)	0	686	1715				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	1.1.2 Farmland under water-related infrastructure constructed/rehabilitated				M&E system	Semi-annual/Annual	PMCU, M&E Unit, Implementation Partners, Component leads	
	Hectares of land (ha)	0	292	730				
Outcome 1.2 Increased adoption of improved and nutrition-sensitive production and processing technologies and practices to support market-based agribusiness development, enhance smallholders' market access, and improve dietary diversity.	1.2.4 Households reporting an increase in production				COI Survey	Baseline, Mid-term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	Capacity building results in adoption of enhanced and nutrition-sensitive production and processing techniques Willingness of target groups to invest in new technologies and/or production practices
	Total number of household members (number)		5034	12584				
	Households (%)	0	40	70				
	Households (number)		1071	2677				
	1.2.2 Households reporting adoption of new/improved inputs, technologies or practices				COI Survey	Baseline, Mid-term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Total number of household members (number)		0	14382				
	Households (%)		0	80				
	Households (number)		0	3060				
	Households reporting at least 20% reduction in post-harvest losses for target value chain commodities				COI Survey	Baseline, Mid-term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Households (number)		320	800				
	Households - percentage (%)		40	80				
	Total number of households members (number)		1504	3760				
	1.2.8 Women reporting minimum dietary diversity (MDDW)				COI Survey	Baseline, Mid-term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Women (%) (%)		1540	70				
	Women (number) (number)		40	3850				
	Households (%) (%)		1540	70				
	Households (number) (number)		40	3850				
	Household members (number)		7238	18095				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	Non-women-headed households (number)							
	IE.2.1 Individuals demonstrating an improvement in empowerment				COI Survey	Baseline, Mid-term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Total persons (%)		25	50				
	Total persons (number)		3536	7072				
	Females (%)	0	25	50				
	Females (number)		1768	3536				
	Males (%)		25	50				
	Males (number)		1768	3536				
	SF.2.1 Households satisfied with project-supported services				COI Survey and M&E System	Mid-term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Household members (number)	0	4243	49850				
	Non-indigenous households (number)							
	Non-women-headed households (number)							
	Households (%)	0	30	75				
	Households (number)	0	19940	10607				
	Output 1.2.1 Capacity and knowledge of small-scale producers and rural MSMEs enhanced	1.1.4 Persons trained in production practices and/or technologies				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Implementation Partners, Component leads, Service providers delivering the trainings
		Total number of attendances to training sessions (number)	0	1529	3825			
Men trained in crop (number)		0	1070	2677				
Women trained in crop (number)		0	459	1148				
Young people trained in crop (number)		0	459	1148				
Total persons trained in crop (number)		0	1529	3825				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	Persons trained in small-scale home processing				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Implementation Partners, Component leads, Service providers delivering the trainings	
	Women trained in processing (number)	0	1000	2500				
	Young people trained in processing (number)	0	500	1250				
	Total persons trained in processing (number)	0	1000	2500				
	Women headed households trained in processing (number)		250	625				
	2.1.2 Persons trained in income-generating activities or business management				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Implementation Partners, Component leads, Service providers delivering the trainings	
	Males (number)	0	940	2350				
	Females (number)	0	1410	3525				
	Young (number)	0	940	2350				
	Persons trained in IGAs or BM (total) (number)	0	2350	5875				
	Persons trained in post-harvest handling				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Implementation Partners, Component leads, Service providers delivering the trainings	
	Males (number)		0	600				
	Female (number)		0	400				
	Young (number)		0	300				
	Persons trained in post-harvest handling (Total) (number)		0	1000				
	Processing and storage facilities rehabilitated and equipped				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Implementation Partners, Component leads	
	Total number of facilities (number)		20	50				
	Processing facilities reconstructed/equipped (number)		5	14				
	Storage facilities reconstructed/equipped (number)		15	36				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	2.1.1 Rural enterprises accessing business development services				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Implementation Partners, Component leads, Service providers delivering the trainings	
	Rural enterprises (number)		20	50				
	1.1.8 Persons provided with targeted support to improve their nutrition				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Implementation Partners, Component leads, Service providers delivering the trainings	
	Total persons participating (number)	0	2200	5500				
	Males (number)	0	880	2200				
	Females (number)	0	1320	3300				
	Households (number)	0	2200	5500				
	Household members benefitted (number)	0	10340	25850				
	Young (number)	0	880	2200				
	Output 1.2.2 Matching grants for production and processing provided to enhance inclusive and climate resilient value chains	1.1.3 Rural producers accessing production inputs and/or technological packages				M&E System	Semi-annual/Annual	
Males (number)		0	210	525				
Females (number)		0	210	525				
Young (number)		0	168	420				
Total rural producers (number)		0	420	1050				
Value of matching grants for value chain enhancement and climate resilience				M&E System	Semi-annual/Annual	M&E Unit, Component leads and IPs		
Amount disbursed on VC enhancement (number)		0	437				2234	
Amount disbursed on climate resilience (number)		0	371				1889	

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	Value of grants for production and small-scale processing				M&E System	Semi-annual/Annual	M&E Unit, Component leads and IPs	
	Amount disbursed (number)	0	1932	5100				
Outcome 2 Improved access to inclusive finance for MSMEs strengthening their integration into value chains.	1.2.5 Households reporting using rural financial services				COI survey	Baseline, Mid-Term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	Interest of Partner Financial Institutions (PFI) and MSMEs in participating in the project Supportive policy environment for financial inclusion
	Total number of household members (number)		5137	12850				
	Households (%)		40	80				
	Households (number)		1093	2734				
	1.2.6 Partner financial service providers with portfolio-at-risk ≥30 days below 5%				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Component lead and PFIs	
	Percentage (%)		90	90				
Output 2.1 Tailored financial services delivered and financial literacy improved	Value of loans to Micro, Small, and Medium Enterprise				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Component lead and PFIs	Adequate financing instruments available for MSMEs in the VC
	Value of loans to microenterprises (number)	0	9492	23730				
	Value of loans to SMEs (number)	0	700	1890				
	1.1.5 Persons in rural areas accessing financial services				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Component lead and PFIs	
	Total number of accesses to financial services (number)	0	1366	3417				
	Men in rural areas accessing financial services - credit (number)	0	956	2392				
	Women in rural areas accessing financial services - credit (number)	0	410	1025				
	Young people in rural areas accessing financial services - credit (number)	0	546	1367				
	Total persons accessing financial services - credit (number)	0	1366	3417				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Component lead and Ips, Service providers delivering the trainings	
	Males (number)	0	1400	3500				
	Females (number)	0	600	1500				
	Young (number)	0	800	2000				
	Persons in rural areas trained in financial literacy and/or use of financial products and Services (total) (number)	0	2000	5000				
Output 2.2 Technical capacity building of PFIs	1.1.6 Financial service providers supported in delivering outreach strategies, financial products and services to rural areas				M&E System	Semi-annual/Annual	PMCU, M&E Unit, Component lead and PFIs	Interest of PFIs to increase access to rural finance products for small-scale rural producers
	Service providers (number)	0	6	6				
Outcome 3. Influencing policy and informing programme governance through, knowledge generation, and advocacy on inclusive and sustainable value chains that contribute to food security.	Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment				M&E System	Semi-annual/Annual	PMCU M&E Unit, Component lead, KM Officer	Willingness of policy makers to develop/adopt new policies
	Number (number)	0	1	1				
	SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers				COI Survey and M&E System	Mid-term and Completion	PMCU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Household members (number)		4243	49850				
	Households (%)		30	75				
	Households (number)		19940	10607				
Output 3.1 Evidence and knowledge products on successful inclusive value chain models and their contribution to food security and nutrition outcomes produced	Policy 1 Policy-relevant knowledge products completed				M&E System	Semi-annual/Annual	PMCU M&E Unit, Component lead, KM Officer	Willingness of policy makers to develop/adopt new policies
	Number (number)	0	1	2				

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Annex 3: Project Cost and Financing

Mission Dates: 26/04 to 16/05/2025

Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
Programme Management Department

Annex 3: Programme Cost and Financing

Introduction

1. This annex focuses on estimating the costs of the Programme. It provides the main underpinning assumptions as well as the summary and detailed cost tables. The costing exercise has been carried out using the COSTAB software¹.

2. The overall cost of the Programme is estimated at US\$48.72 million, which will be disbursed over six years. Of this total financing, IFAD's contribution amounts to US\$4.20 million from IFAD13 Performance-based Allocation System (PBAS), US\$10.00 million from IFAD's Borrowed Resource Access Mechanism (BRAM), and IFAD Additional Climate Contributions (ACC) of US\$0.80 million, for a total of US\$15.00 million. Additionally, US\$10.69 million will be co-financed by Islamic Development Bank (IsDB). The Agricultural Credit Corporation (ACC- FI) will participate in the Programme by financing US\$11.87 million. The programme will have a financing gap of US\$4.00 million. The GoJ's contribution is estimated at US\$0.60 million (taxes contribution). Finally, the beneficiaries will contribute US\$6.57 million to the Programme.

Methods and assumptions

3. The Programme costs taken into account include investment costs and incremental operating costs within the three components: (i) Micro-entrepreneurs' Production and Processing and Processing; (ii) Inclusive Rural Finance; and (iii) Programme Management and Policy Engagement.

4. Costs have been calculated on the following basis:

- The Programme is to some extent flexible, as based on the participatory approach and the principle of intervention at request. The estimated costs should thus be considered as indicative and mostly presented in terms of financial allocations by component, subcomponent or activity. Even when quantities and unit costs are indicated in the detailed tables, it is above all the overall allocation that should be considered. The detailed planning of activities and their implementation will be in response to requests from target groups and/or after needs assessment.
- Base costs for goods and services purchased locally are derived from local sales prices (market prices), including all taxes as they are real costs for the Programme. All prices of locally purchased goods and services, as well as salaries and allowances, are expressed in foreign currency, albeit payable in Jordanian Dinars (JD). To account for expected local price increases, an annual inflation rate of 2 per cent has been applied, based on projections from The Economist Intelligence Unit (EIU). Foreign inflation has been set at 3.6 per cent annually for the duration of programme implementation.
- Fixed exchange rate. The Jordanian dinar has been pegged to the US dollar at a rate of JD0.71:US\$1 since 1995.
- Foreign exchange represents the direct and indirect imported inputs embodied in the cost. The expenditure accounts and the percentages of foreign exchange used are derived from the first phase of REGEP, as shown in the table below.

5. Assumptions for physical contingencies, Foreign Exchange, and taxes' proportions in total costs, by category of expenditures, are summarized in the Table below.

Table Expenditure categories

Expenditure category	Physical Cont.	Tax (% of total)	For. ex.
Investment Costs			
Equipment ²	0%	16%	70%
Consultancies ³	0%	16%	50%
Grant and Subsidies	0%	0%	0%
Credits	0%	0%	0%

¹COSTAB is a software originally designed by the World Bank and FAO and used by several International Financing Institutions in preparing, organizing and analysing programme costs.

²Including vehicles, equipment and goods

³Including consultancies and training

Recurrent Costs			
Salaries and Allowances ¹	0%	0%	30%

C. Programme costs

6. Total Programme costs, including physical and price contingencies, are estimated at US\$48.72 million, of which US\$46.86 million represent the base cost and US\$1.86 million the contingency allowances. Taxes and foreign exchange represent respectively 1 per cent and 5 per cent of total Programme cost. The largest part is for Component 2 "Inclusive Rural Finance" (US\$31.25 million, base costs), followed by Component 1 "Micro-entrepreneurs' Production and Processing" (US\$13.24 million, base costs) and finally Component 3 "Programme Management and Policy Engagement" (US\$1.86 million, base costs).

7. The summary tables below provide the costs by component and sub-component and by year.

¹ Including operational costs

Table Component Programme Cost Summary

Hashemite Kingdom of Jordan

Rural Economic Growth and Employment Programme, Upscaling (REGE)

Components Project Cost Summary

	(JD Million)			(US\$ '000)			%	% Total
	Local	Foreign	Total	Local	Foreign	Total	Foreign Exchange	Base Costs
A. Resilient and inclusive value chain development								
1. Microentrepreneurs production and processing	4.6	0.7	5.3	6,475.3	1,005.3	7,480.5	13	16
2. Value Chain and SME development	3.9	0.2	4.1	5,440.4	315.4	5,755.8	5	12
Subtotal Resilient and inclusive value chain development	8.5	0.9	9.4	11,915.7	1,320.7	13,236.3	10	28
B. Inclusive Rural Finance								
1. Inclusive Rural Finance	22.0	0.2	22.2	30,995.9	251.9	31,247.8	1	67
Subtotal Inclusive Rural Finance	22.0	0.2	22.2	30,995.9	251.9	31,247.8	1	67
C. Project governance and Policy engagement								
1. Project Management Unit	1.1	0.5	1.6	1,567.9	647.1	2,215.0	29	5
2. Policy Engagement	0.1	0.1	0.1	78.8	78.8	157.6	50	-
Subtotal Project governance and Policy engagement	1.2	0.5	1.7	1,646.7	725.9	2,372.6	31	5
Total BASELINE COSTS	31.6	1.6	33.3	44,558.3	2,298.4	46,856.7	5	100
Physical Contingencies	-	-	-	-	-	-	-	-
Price Contingencies	0.6	0.1	0.7	1,630.2	231.3	1,861.5	12	4
Total PROJECT COSTS	32.3	1.7	34.0	46,188.5	2,529.7	48,718.2	5	104

Table Component Programme Cost by year – Base Costs

Hashemite Kingdom of Jordan

Rural Economic Growth and Employment Programme, Upscaling (REGEPU)

Project Components by Year – Base Costs

(US\$ '000)

	Base Cost						Total
	2026	2027	2028	2029	2030	2031	
A. Resilient and inclusive value chain development							
1. Microentrepreneurs production and processing	177.3	1,437.7	1,562.7	1,572.7	1,497.7	1,232.3	7,480.5
2. Value Chain and SME development	549.8	980.8	1,291.5	1,517.5	1,368.8	47.5	5,755.8
Subtotal Resilient and inclusive value chain development	727.1	2,418.5	2,854.2	3,090.2	2,866.5	1,279.8	13,236.3
B. Inclusive Rural Finance							
1. Inclusive Rural Finance	353.8	6,145.2	6,145.2	6,145.2	6,229.2	6,229.2	31,247.8
Subtotal Inclusive Rural Finance	353.8	6,145.2	6,145.2	6,145.2	6,229.2	6,229.2	31,247.8
C. Project governance and Policy engagement							
1. Project Management Unit	480.3	322.5	321.1	405.6	405.6	280.0	2,215.0
2. Policy Engagement	64.0	50.8	42.8	-	-	-	157.6
Subtotal Project governance and Policy engagement	544.3	373.3	363.9	405.6	405.6	280.0	2,372.6
Total BASELINE COSTS	1,625.1	8,937.0	9,363.4	9,641.0	9,501.3	7,789.0	46,856.7
Physical Contingencies	-	-	-	-	-	-	-
Price Contingencies							
Inflation							
Local	11.6	74.9	148.9	228.9	278.7	158.9	901.9
Foreign	9.8	21.4	33.8	51.7	62.8	51.8	231.3
Subtotal Inflation	21.4	96.4	182.7	280.6	341.4	210.7	1,133.2
Devaluation	7.9	57.8	118.1	184.6	228.8	131.0	728.3
Subtotal Price Contingencies	29.3	154.2	300.8	465.2	570.3	341.7	1,861.5
Total PROJECT COSTS	1,654.4	9,091.2	9,664.2	10,106.3	10,071.5	8,130.7	48,718.2
Taxes	155.2	112.7	107.2	121.0	114.6	73.9	684.6
Foreign Exchange	555.2	413.4	398.3	443.9	426.1	292.8	2,529.7

Table Component Programme Cost by year – Totals including contingencies

Hashemite Kingdom of Jordan

Rural Economic Growth and Employment Programme, Upscaling (REGEPU)

Project Components by Year – Totals Including Contingencies

(US\$ '000)

	Totals Including Contingencies						Total
	2026	2027	2028	2029	2030	2031	
A. Resilient and inclusive value chain development							
1. Microentrepreneurs production and processing	180.5	1,516.3	1,707.5	1,780.2	1,756.4	1,497.2	8,438.0
2. Value Chain and SME development	559.6	1,034.4	1,411.1	1,717.7	1,605.1	57.7	6,385.7
Subtotal Resilient and inclusive value chain development	740.1	2,550.7	3,118.6	3,498.0	3,361.5	1,554.9	14,823.7
B. Inclusive Rural Finance							
1. Inclusive Rural Finance	360.2	6,146.8	6,148.0	6,149.2	6,234.4	6,235.6	31,274.2
Subtotal Inclusive Rural Finance	360.2	6,146.8	6,148.0	6,149.2	6,234.4	6,235.6	31,274.2
C. Project governance and Policy engagement							
1. Project Management Unit	488.9	340.1	350.8	459.1	475.7	340.1	2,454.8
2. Policy Engagement	65.2	53.5	46.8	-	-	-	165.5
Subtotal Project governance and Policy engagement	554.1	393.7	397.7	459.1	475.7	340.1	2,620.3
Total PROJECT COSTS	1,654.4	9,091.2	9,664.2	10,106.3	10,071.5	8,130.7	48,718.2

D. Programme financing

8. The cost of the Programme is estimated at US\$48.72 million, which will be disbursed over six years. Of this total financing, IFAD's contribution amounts to US\$4.20 million from IFAD13 Performance-based Allocation System (PBAS), US\$10.00 million from IFAD's Borrowed Resource Access Mechanism (BRAM), and IFAD Additional Climate Contributions (ACC) of US\$0.80 million, for a total of US\$15.00 million. Additionally, US\$10.69 million will be co-financed by Islamic Development Bank (IsDB). The Agricultural Credit Corporation (ACC- FI) will participate in the Programme by financing US\$11.87 million. The programme will have a financing gap of US\$4.00 million. The GoJ's contribution is estimated at US\$0.60 million (taxes contribution). Finally, the beneficiaries will contribute US\$6.57 million to the Programme.

9. The proposed financing plan is presented in detail in the summary tables below.

Table Component by financier

Hashemite Kingdom of Jordan
Rural Economic Growth and Employment Programme, Upscaling (REGEP UP)
Components by Financiers
(US\$ '000)

	IFAD PBAS		IFAD BRAM		IFAD ACC		Islamic Development Bank		ACC (FI) Credit Corporation		Beneficiaries contribution		Financing gap		Government of Jordan		Total		For.	Exch.	Local (Excl. Taxes)	Duties & Taxes
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%				
A. Resilient and inclusive value chain development																						
1. Microentrepreneurs production and processing	3,799.8	45.0	618.4	7.3	694.0	8.2	-	-	-	-	309.5	3.7	2,656.7	31.5	359.7	4.3	8,438.0	17.3	1,124.1		6,954.2	359.7
2. Value Chain and SME development	400.2	6.3	3,351.0	52.5	106.0	1.7	-	-	-	-	1,138.2	17.8	1,279.2	20.0	111.1	1.7	6,385.7	13.1	347.2		5,927.4	111.1
Subtotal Resilient and inclusive value chain development	4,200.0	28.3	3,969.3	26.8	800.0	5.4	-	-	-	-	1,447.7	9.8	3,935.9	26.6	470.8	3.2	14,823.7	30.4	1,471.3		12,881.6	470.8
B. Inclusive Rural Finance																						
1. Inclusive Rural Finance	-	-	4,058.5	13.0	-	-	10,185.8	32.6	11,865.0	37.9	5,124.0	16.4	-	-	40.9	0.1	31,274.2	64.2	265.1		30,924.3	84.8
C. Project governance and Policy engagement																						
1. Project Management Unit	-	-	1,897.3	77.3	-	-	500.0	20.4	-	-	-	-	-	-	57.5	2.3	2,454.8	5.0	710.6		1,641.8	102.4
2. Policy Engagement	-	-	74.9	45.2	-	-	-	-	-	-	-	-	64.1	38.8	26.5	16.0	165.5	0.3	82.7		56.3	26.5
Subtotal Project governance and Policy engagement	-	-	1,972.2	75.3	-	-	500.0	19.1	-	-	-	-	64.1	2.4	84.0	3.2	2,620.3	5.4	793.3		1,698.0	128.9
Total PROJECT COSTS	4,200.0	8.6	10,000.0	20.5	800.0	1.6	10,685.8	21.9	11,865.0	24.4	6,571.7	13.5	4,000.0	8.2	595.7	1.2	48,718.2	100.0	2,529.7		45,503.9	684.6

Table Expenditure Accounts by financiers

Hashemite Kingdom of Jordan
Rural Economic Growth and Employment Programme, Upscaling (REGEP UP)
Expenditure Accounts by Financiers
(US\$ '000)

	IFAD PBAS		IFAD BRAM		IFAD ACC		Islamic Development Bank		ACC (FI) Credit Corporation		Beneficiaries contribution		Financing gap		Government of Jordan		Total		For. Exch.	Local (Excl. Taxes)	Duties & Taxes
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%			
I. Investment Costs																					
EQUIPMENT /a	-	-	115.6	84.0	-	-	-	-	-	-	-	-	-	-	22.0	16.0	137.6	0.3	96.4	19.3	22.0
CONSULTANCIES /b	878.4	21.2	863.0	20.8	800.0	19.3	500.0	12.1	-	-	-	-	526.0	12.7	573.7	13.9	4,141.0	8.5	2,070.5	1,407.9	662.6
GRANTS & SUBSIDIES	3,321.6	28.0	3,637.7	30.6	-	-	-	-	-	-	1,447.7	12.2	3,474.0	29.2	-0.0	-	11,881.1	24.4	-	11,881.1	-
CREDITS	-	-	3,788.4	12.3	-	-	9,966.6	32.4	11,865.0	38.6	5,124.0	16.7	-	-	-	-	30,744.0	63.1	-	30,744.0	-
Total Investment Costs	4,200.0	9.0	8,404.7	17.9	800.0	1.7	10,466.6	22.3	11,865.0	25.3	6,571.7	14.0	4,000.0	8.5	595.7	1.3	46,903.7	96.3	2,166.8	44,052.3	684.6
II. Recurrent Costs																					
A. SALARIES & ALLOWANCES /c	-	-	1,595.3	87.9	-	-	219.2	12.1	-	-	-	-	-	-	0.0	-	1,814.5	3.7	362.9	1,451.6	-
Total Recurrent Costs	-	-	1,595.3	87.9	-	-	219.2	12.1	-	-	-	-	-	-	0.0	-	1,814.5	3.7	362.9	1,451.6	-
Total PROJECT COSTS	4,200.0	8.6	10,000.0	20.5	800.0	1.6	10,685.8	21.9	11,865.0	24.4	6,571.7	13.5	4,000.0	8.2	595.7	1.2	48,718.2	100.0	2,529.7	45,503.9	684.6

/a including vehicles, equipment and goods

/b including consultancies and training

/c including operational costs

Table 7 DT1.1

Hashemite Kingdom of Jordan

Rural Economic Growth and Employment Programme, Upscaling (REGEPU)

Table 1.1. Microentrepreneurs production and processing

Detailed Costs

I. Investment Costs

A. Climate resilient production and small-scale processing

1. Recruitment of service provider for capacity-development for climate resilient crop production
2. Capacity-development for climate resilient crop production /a
3. Capacity building for processing activities and nutrition education /b
4. Integrated Pest Management (IPM) and Organic farming pilot
5. TA gender and nutrition
6. ToT gender and nutrition

Subtotal Climate resilient production and small-scale processing

B. Grant for water efficient production and processing

1. Study to target best water efficient technologies based on selected clusters
2. Grants for water efficiency for small scale production /c
3. Grants for small scale processing
4. TA for Grants delivery
5. Water accounting and monitoring

Subtotal Grant for water efficient production and processing

C. Business Mentoring

1. Business mentoring
2. Peer learning, fairs and events
3. E-learning for microentrepreneurs

Subtotal Business Mentoring

D. Marketing

1. Aggregation activities
2. Support to digital marketing

Subtotal Marketing

E. Green jobs

1. Harvesting/tillage services
2. Support repairs and maintenance

Subtotal Green jobs

Total

Unit	Quantities							Unit Cost (JD '000)	Unit Cost (US\$)	Totals Including Contingencies (US\$ '000)						
	2026	2027	2028	2029	2030	2031	Total		2026	2027	2028	2029	2030	2031	Total	
I. Investment Costs																
A. Climate resilient production and small-scale processing																
1. Recruitment of service provider for capacity-development for climate resilient crop production	1	-	-	-	-	-	1	46	65,000	66.2	-	-	-	-	-	66.2
2. Capacity-development for climate resilient crop production /a	session	-	50	50	50	50	250	1	1,900	-	100.2	103.8	107.5	111.4	115.4	538.3
3. Capacity building for processing activities and nutrition education /b	session	-	30	30	30	30	150	1	1,400	-	44.3	45.9	47.5	49.3	51.0	238.0
4. Integrated Pest Management (IPM) and Organic farming pilot	session	-	5	5	5	5	20	1	2,000	-	10.5	10.9	11.3	11.7	-	44.5
5. TA gender and nutrition	lumpsum	-	0.2	0.2	0.2	0.2	1	53	75,000	-	15.8	16.4	17.0	17.6	18.2	85.0
6. ToT gender and nutrition	lumpsum	-	0.2	0.2	0.2	0.2	1	18	25,600	-	5.4	5.6	5.8	6.0	6.2	29.0
										66.2	176.3	182.6	189.2	196.0	190.9	1,001.1
B. Grant for water efficient production and processing																
1. Study to target best water efficient technologies based on selected clusters	lumpsum	1	-	-	-	-	1	16	21,900	22.3	-	-	-	-	-	22.3
2. Grants for water efficiency for small scale production /c	grant	-	124	130	130	124	624	4	5,000	-	653.9	710.2	735.8	727.1	704.7	3,531.6
3. Grants for small scale processing	grant	-	75	90	90	86	416	4	5,000	-	395.5	491.7	509.4	504.3	455.6	2,356.4
4. TA for Grants delivery	lumpsum	0.2	0.2	0.2	0.2	0.2	1	321	452,000	92.0	95.3	98.8	102.3	106.0	-	494.5
5. Water accounting and monitoring	lumpsum	-	0.2	0.2	0.2	0.2	1	36	51,000	-	10.8	11.1	11.5	12.0	12.4	57.8
										114.3	1,155.5	1,311.8	1,359.0	1,349.3	1,172.6	6,462.6
C. Business Mentoring																
1. Business mentoring	session	-	0.2	0.2	0.2	0.2	1	192	270,000	-	57.0	59.0	61.1	63.3	65.6	306.0
2. Peer learning, fairs and events	session	-	6	6	6	6	30	4	5,000	-	31.6	32.8	34.0	35.2	36.4	170.0
3. E-learning for microentrepreneurs	ls	-	5	5	5	-	15	2	3,000	-	15.8	16.4	17.0	-	-	49.2
										-	104.4	108.2	112.1	98.5	102.1	525.2
D. Marketing																
1. Aggregation activities	lumpsum	-	0.2	0.2	0.2	0.2	1	36	50,000	-	10.5	10.9	11.3	11.7	12.1	56.7
2. Support to digital marketing	session	-	0.2	0.2	0.2	0.2	1	57	80,000	-	16.9	17.5	18.1	18.8	19.4	90.7
										-	27.4	28.4	29.4	30.5	31.6	147.3
E. Green jobs																
1. Harvesting/tillage services	grant	-	6	9	10	9	34	4	5,000	-	31.6	49.2	56.6	52.8	-	190.2
2. Support repairs and maintenance	grant	-	4	5	6	5	20	4	5,000	-	21.1	27.3	34.0	29.3	-	111.7
										-	52.7	76.5	90.6	82.1	-	301.9
										180.5	1,516.3	1,707.5	1,780.2	1,756.4	1,497.2	8,438.0

1a 3750 people trained, average size per group 15

1b 2500 people trained average size per group is 17

1c Total of 1040 grants of which 60% are grants for Water and 40% for processing

Table 8 DT.1.2

Hashemite Kingdom of Jordan
Rural Economic Growth and Employment Programme, Upscaling (REGEP UP)
Table 1.2. Value Chain and SME development
Detailed Costs

Unit	Quantities						Unit Cost (JD '000)	Unit Cost (US\$)	Totals Including Contingencies (US\$ '000)							Total
	2026	2027	2028	2029	2030	2031	Total		2026	2027	2028	2029	2030	2031		
I. Investment Costs																
A. Value chain study and in-depth assessment																
1. Value chain study - identify actors and entry points	lumpsum	1	-	-	-	-	1	30	42.000	42.8	-	-	-	-	-	42.8
B. SME and farms identification and selection for upgrading																
1. Identification/selection of SMEs + farmers critical to long VC	lumpsum	0.7	0.3	-	-	-	1	7	10.000	7.1	3.2	-	-	-	-	10.3
2. Needs assessment and verification - factories + farms	lumpsum	0.5	0.5	-	-	-	1	17	24.500	12.5	12.9	-	-	-	-	25.4
Subtotal SME and farms identification and selection for upgrading										19.6	16.1	-	-	-	-	35.7
C. Upgrading and equipping value chain actors																
1. SMEs - grading/sorting, drying, cold rooms, transport	grant	5	10	15	15	15	60	28	40.000	203.6	421.9	655.6	679.2	703.6	-	2,663.8
2. SMEs - grading/sorting, drying, cold rooms, transport- beneficiary contribution	grant	5	10	15	15	15	60	7	10.000	50.9	105.5	163.9	169.8	175.9	-	666.0
3. Farmers - irrigation systems, harvesting equip	grant	10	15	20	30	25	100	12	17.000	173.1	268.9	371.5	577.3	498.4	-	1,889.2
4. Farmers - irrigation systems, harvesting equip - beneficiary contribution /a	grant	10	15	20	30	25	100	3	4.250	43.3	67.2	92.9	144.3	124.6	-	472.3
5. Digital monitoring of grants	lumpsum	-	1	-	-	-	1	42	59.300	-	62.5	-	-	-	-	62.5
Subtotal Upgrading and equipping value chain actors										470.8	926.0	1,283.8	1,570.6	1,502.5	-	5,753.8
D. Capacity building of agricultural enterprises																
1. Capacity building																
a. Climate resilient agricultural production /b	session	3	5	7	10	15	55	1	2.000	6.1	10.5	15.3	22.6	35.2	36.4	126.2
b. Harvesting, post-harvest handling and grading /c	session	-	5	5	-	-	10	2	2.500	-	13.2	13.7	-	-	-	26.8
c. Certification and standards /d	facilities certifies	15	20	35	40	35	150		500	7.6	10.5	19.1	22.6	20.5	3.0	83.5
d. Occupational safety and health	session	10	30	20	20	-	80		500	5.1	15.8	10.9	11.3	-	-	43.2
e. BDS training - all farms	session	-	5	5	10	5	25	1	2.000	-	10.5	10.9	22.6	11.7	-	55.8
Subtotal Capacity building										18.8	60.6	69.9	79.2	67.4	39.5	335.6
2. E-learning for agriprocessors	lumpsum	-	5	5	5	-	15	2	3.000	-	15.8	16.4	17.0	-	-	49.2
Subtotal Capacity building of agricultural enterprises										18.8	76.5	86.3	96.2	67.4	39.5	384.7
E. Promoting market access and digitalization																
1. Market access/digitalization																
a. Business-to-business platforms (B2B)	lumpsum	0.05	0.1	0.25	0.3	0.2	0.1	1	28	40.000	2.0	4.2	10.9	13.6	9.4	45.0
b. Business to farmer (B2F) platforms	lumpsum	0.05	0.1	0.25	0.3	0.2	0.1	1	21	30.000	1.5	3.2	8.2	10.2	7.0	33.8
c. Trade fairs/exhibitions/shows/ promotions	lumpsum	0.05	0.1	0.25	0.3	0.2	0.1	1	21	30.000	1.5	3.2	8.2	10.2	7.0	33.8
d. Promote youth to develop digital applications/platforms /e	platform	0.05	0.1	0.25	0.3	0.2	0.1	1	36	50.000	2.5	5.3	13.7	17.0	11.7	56.3
Subtotal Market access/digitalization										7.6	15.8	41.0	50.9	35.2	18.2	168.8
Total										559.6	1,034.4	1,411.1	1,717.7	1,605.1	57.7	6,385.7

/a 25% beneficiary contribution

/b incl. IPM - 5 crops x 6 groups of 15

/c 10 groups of 15 each

/d e.g. GLOBALGAP - all farms and factories

/e innovation platform

Table 9 DT 2.1

Hashemite Kingdom of Jordan
Rural Economic Growth and Employment Programme, Upscaling (REGEP U)
Table 2.1. Inclusive Rural Finance
Detailed Costs

Table 2.1. Inclusive Rural Finance Detailed Costs																		
	Unit	Quantities						Unit Cost (JD '000)	Unit Cost (US\$)	Totals Including Contingencies (US\$ '000)						Total		
		2026	2027	2028	2029	2030	2031	Total	2026	2027	2028	2029	2030	2031				
I. Investment Costs																		
A. Improved access to finance for MSMEs																		
1. SME credit line	loan	-	5	5		5	6	6	27	50	70.000	-	350.0	350.0	350.0	420.0	1,890.0	
2. SME credit line - beneficiary contribution	loan	-	5	5		5	6	6	27	10	14.000	-	70.0	70.0	70.0	84.0	378.0	
3. Microloan credit line	loan	-	678	678		678	678	678	3,390	5	7.000	-	4,746.0	4,746.0	4,746.0	4,746.0	23,730.0	
4. Microloan credit line - Beneficiary contribution	loan	-	678	678		678	678	678	3,390	1	1.400	-	949.2	949.2	949.2	949.2	4,746.0	
Subtotal Improved access to finance for MSMEs												-	6,115.2	6,115.2	6,115.2	6,199.2	6,199.2	30,744.0
B. Strengthened technical capacity of PFIs																		
1. Technical assistance package to PFIs	lumpsum	1	-	-		-	-	-	1	107	150.000	152.7	-	-	-	-	152.7	
2. Tech maps development	pers. day	250	-	-		-	-	-	250		200	50.9	-	-	-	-	50.9	
3. Trainings	even	4	-	-		-	-	-	4	5	7.000	28.5	-	-	-	-	28.5	
4. Contingency for consultancies	lumpsum	1	-	-		-	-	-	1	16	22.800	23.2	-	-	-	-	23.2	
Subtotal Strengthened technical capacity of PFIs												255.3	-	-	-	-	-	255.3
C. Improved financial literacy among rural residents																		
1. Financial literacy training course and ToT development	lumpsum	1	-	-		-	-	-	1	57	80.000	81.4	-	-	-	-	81.4	
2. Roll out of activities (approx. 5,000 persons reached)	lumpsum	-	0.2	0.2		0.2	0.2	0.2	1	107	150.000	-	31.6	32.8	34.0	35.2	170.0	
3. Contingency for consultancies	lumpsum	1	-	-		-	-	-	1	16	23.000	23.4	-	-	-	-	23.4	
Subtotal Improved financial literacy among rural residents												104.9	31.6	32.8	34.0	35.2	36.4	274.9
Total												360.2	6,146.8	6,148.0	6,149.2	6,234.4	6,235.6	31,274.2

Table 10 DT 3.1

Hashemite Kingdom of Jordan
Rural Economic Growth and Employment Programme, Upscaling (REGEP UP)

Table 3.1. Project Management

Detailed Costs

Table 3.1. Project Management										Unit	Totals Including Contingencies (US\$ '000)							
Detailed Costs										Cost (JD '000)	Unit Cost (US\$)	2026	2027	2028	2029	2030	2031	Total
Unit	2026	2027	2028	2029	2030	2031	Total			2026	2027	2028	2029	2030	2031	Total		
I. Investment Costs																		
A. JEDCO Project Coordination Unit																		
1. Equipment and materials																		
a. Vehicles (2)	unit	2	-	-	-	-	-	2	22	30.986	63.1	-	-	-	-	63.1		
b. Office furniture and equipment /a	lumpsum	1	-	-	-	-	-	1	40	56.338	57.4	-	-	-	-	57.4		
c. IT system	lumpsum	1	-	-	-	-	-	1	10	14.085	14.3	-	-	-	-	14.3		
Subtotal Equipment and materials											134.8	-	-	-	-	-	134.8	
2. PCU training and consultancies																		
a. Training and workshops for JEDCO staff	lumpsum	1	1	1	1	1	1	6	7	9.859	10.0	10.4	10.8	11.2	11.6	65.9		
b. Admin costs (IFAD and JEDCO)	lumpsum	1	-	-	-	-	-	1	1	1.408	1.4	-	-	-	-	1.4		
c. SECAP consultancy	lumpsum	-	0.2	0.2	0.2	0.2	0.2	1	50	70.423	-	14.9	15.4	15.9	16.5	79.8		
Subtotal PCU training and consultancies											11.5	25.3	26.2	27.1	28.1	29.1	147.2	
Subtotal JEDCO Project Coordination Unit											146.2	25.3	26.2	27.1	28.1	29.1	281.9	
B. Monitoring and Evaluation (M&E)																		
1. Baseline Survey	lumpsum	1	-	-	-	-	-	1	60	84.507	86.0	-	-	-	-	86.0		
2. Mid-term Survey	lumpsum	-	-	-	1	-	-	1	60	84.507	-	-	-	95.7	-	95.7		
3. Final Impact Survey	lumpsum	-	-	-	-	1	-	1	60	84.507	-	-	-	-	99.1	99.1		
4. M&E MIS development/service provider	lumpsum	1	-	-	-	-	-	1	20	28.169	28.7	-	-	-	-	28.7		
5. Operation services/M&E software /b	lumpsum	1	1	1	1	1	1	6	1	1.408	1.4	1.5	1.5	1.6	1.7	9.4		
6. M&E equipment/devices /c	lumpsum	2	-	-	-	-	-	2	1	1.408	2.9	-	-	-	-	2.9		
7. Start-up workshop	wshop	1	-	-	-	-	-	1	1	1.408	1.4	-	-	-	-	1.4		
8. Annual review and planning workshops/M&E meetings	wshop	-	1	1	1	1	-	4	1	1.408	-	1.5	1.5	1.6	1.7	6.3		
9. Annual spot-check/verification visits for the M&E Unit/field visits	per year	-	1	1	1	1	-	4	1	1.408	-	1.5	1.5	1.6	1.7	6.3		
10. Ad hoc Studies and Assistance /d	per year	-	1	1	1	1	-	4	1	1.408	-	1.5	1.5	1.6	1.7	6.3		
11. Knowledge Management Product preparation/communication activities	lumpsum	-	1	1	1	1	-	4	1	1.408	-	1.5	1.5	1.6	1.7	6.3		
12. REGEP UP Website/Social Media /e	lumpsum	1	-	-	-	-	-	1	5	7.042	7.2	-	-	-	-	7.2		
13. M&E/KM staff training/international	per year	1	1	-	-	-	-	2	1	1.408	1.4	1.5	-	-	-	2.9		
Subtotal Monitoring and Evaluation (M&E)											129.0	8.9	7.7	103.6	107.4	1.7	358.3	
Total Investment Costs											275.3	34.2	33.9	130.7	135.4	30.8	640.3	
II. Recurrent Costs																		
A. Salaries and Allowances																		
1. Salaries																		
a. Project Management Unit (PMU)																		
Project Manager	Pers.month	9	12	12	12	12	12	69	4	5.634	51.6	71.3	73.9	76.5	79.3	82.1	434.7	
Finance coordinator	Pers.month	9	12	12	12	12	12	69	3	4.225	38.7	53.5	55.4	57.4	59.5	61.6	326.0	
Value Chain Specialist	Pers.month	12	12	12	12	12	12	72	2	2.732	33.4	34.6	35.8	37.1	38.5	39.8	219.2	
M&E Officer	Pers.month	9	12	12	12	12	12	69	2	2.676	24.5	33.9	35.1	36.3	37.7	39.0	206.5	
Procurement officer	Pers.month	-	12	12	12	12	6	54	2	2.113	-	26.7	27.7	28.7	29.7	15.4	128.3	
Accountant senior	Pers.month	9	12	12	12	12	6	63	1	1.831	16.8	23.2	24.0	24.9	25.8	13.3	127.9	
Administrative assistant	Pers.month	-	12	12	12	12	-	48	1	986	-	12.5	12.9	13.4	13.9	-	52.7	
Subtotal Project Management Unit (PMU)											165.0	255.6	264.8	274.3	284.2	251.3	1,495.3	
B. Operational costs																		
Other operating costs	rent/year	1	1	1	1	1	1	6	19	26.521	27.0	28.0	29.0	30.0	31.1	32.2	177.3	
Fuel for vehicles /f	lumpsum	1	1	1	1	1	1	6	10	14.085	14.3	14.9	15.4	15.9	16.5	17.1	94.2	
Operational costs for vehicles (O&M)	lumpsum	1	1	1	1	1	1	6	5	7.141	7.3	7.5	7.8	8.1	8.4	8.7	47.7	
Subtotal Operational costs											48.6	50.4	52.2	54.0	56.0	58.0	319.2	
Total Recurrent Costs											213.6	306.0	317.0	328.4	340.2	309.3	1,814.5	
Total											488.9	340.1	350.8	459.1	475.7	340.1	2,454.5	

/a office furniture, computers, printers, meeting room furniture, online meeting system

/b software O&M, upgrading/updating, adding or revising the modules

/c GPS, tablets

/d including M&E related studies

/e Development, maintenance and updating of website by a private company

/f Fuel for the 9 vehicles

Table 11 DT 3.2

Hashemite Kingdom of Jordan
Rural Economic Growth and Employment Programme, Up:
Table 3.2. Policy Support

Detailed Costs

I. Investment Costs

A. HCFS Secretariat TA	Is	0.25	0.5	0.25	-	-	-	1	14	20.000	5.1	10.5	5.5	-	-	-	21.1
B. Learning event and CSA roundtable	Is	1	-	-	-	-	-	1	11	15.000	15.3	-	-	-	-	-	15.3
C. Input to NFSS mid-term review	Is	-	0.478	0.522	-	-	-	1	34	47.600	-	24.0	27.1	-	-	-	51.1
D. Input to successor agriculture strategy	Is	1	-	-	-	-	-	1	25	35.000	35.6	-	-	-	-	-	35.6
E. Policy briefs and knowledge products	Is	0.2	0.5	0.3	-	-	-	1	21	30.000	6.1	15.8	9.8	-	-	-	31.8
F. Participation in HCFS policy processes	Is	0.3	0.3	0.4	-	-	-	1	7	10.000	3.1	3.2	4.4	-	-	-	10.6
Total											65.2	53.5	46.8	-	-	-	165.5

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Annex 4: Economic and Financial Analysis

Mission Dates: 26/04 to 16/05/2025

Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
Programme Management Department

Annex 4: Economic and Financial Analysis

a. Methodology

1. This annex presents the Economic and Financial Analysis (EFA) of Rural Economic Growth and Employment Programme, Upscaling (REGEPU). The methodological approach of the Economic and Financial Analysis (EFA) of the RDDP-II follows that of Gittinger (1982)¹, Belli et al. (2001)² and is in line with recent guidelines published on economic and financial analysis³. The financial analysis was performed from the perspective of beneficiaries. The economic analysis also differed from the financial analysis due to a shadow price that was assumed for the main programme inputs and outputs.

2. The initial twenty-seven financial models were developed to reflect the programme activities. These include eleven models focused solely on agriculture—based on one-hectare plots—which served as the basis for building six comprehensive agricultural farm models. Additionally, ten models were developed for agribusiness and Micro/Small-Scale Enterprises (M/SMEs). The financial analysis indicates that the targeted activities are financially sound, while the economic analysis confirms the overall viability of the programme. The Economic Internal Rate of Return (EIRR) is estimated at 23.11 per cent, with a Net Present Value (NPV) of US\$29.57 million. Sensitivity analysis reveals that the programme is responsive to changes in key variables, such as benefits and costs, delays in benefit realization, and adoption rates—highlighting that sustainable value chain investments, particularly in the dairy sector, are essential for programme success.

b. Beneficiaries

3. The primary beneficiaries of the Programme are: (i) smallholder farmers; (ii) Micro, Small and Medium enterprises (MSMEs), including processing units, cold storage facilities, and similar ventures. The Programme aims to directly support approximately 14,142 households (HHs) through a combination of targeted grants, matching grants, microloans and loans. The estimated cost per beneficiary is US\$3,449 per household and US\$734 per individual household member, based on a total of 14,142 households and 66,467 household members.

4. The following table represents the phasing of beneficiaries used for the aggregation.

Table Phasing

Agricultural (farm) models		2026	2027	2028	2029	2030	2031	TOTAL
		Y1	Y2	Y3	Y4	Y5	Y6	
Agricultural (farm) models								
Model 1: SubComp 1.1: Transition from Open Field to Greenhouse Horticulture	grants	-	41	43	43	41	39	208
Model 2: SubComp 1.1: Open-Field Vegetable Horticulture	grants	-	41	43	43	41	39	208
Model 3: SubComp 1.1: Medicinal and Aromatic Plants (MAPs) – Sage and Thyme under Greenhouse Cultivation	grants	-	41	43	43	41	39	208
Model 4: Fruit Tree Cultivation (SubComp 1.2) – Monoculture of Medjool Date Palms	grants	3	5	7	10	8	-	33
Model 5: Fruit Tree Cultivation (SubComp 1.2) – Monoculture of Olive Trees	grants	3	5	7	10	8	-	33
Model 6: SubComp 1.2: Conversion from Open-Field to Greenhouse Horticulture (10 dunums)	grants	3	5	7	10	8	-	33
Subtotal agricultural grants	grants	10	139	150	160	149	116	724
Agribusiness / Micro/SME models								
Model 7: SubComp 1.1- Green Jobs: Harvesting / tillage service	grants	-	10	14	16	14	-	54
Model 7: SubComp 1.1 – Small-Scale Processing Facility for Cultivated Herbal and Medicinal Aromatic Plants (HMAPs)	grants	-	38	45	45	43	38	208
Model 8: SubComp 1.1 – Small-Scale Processing Facility for Pickles	grants	-	38	45	45	43	38	208
Model 9: SubComp 1.2 – Small-Scale Processing Facility for HMAPs (Oil Production)	grants	2	3	5	5	5	-	20
Model 10: SubComp 1.2 – Small-Scale Processing Facility for Olive Oil	grants	2	3	5	5	5	-	20
Model 11: SubComp 1.2: Cold Storage Facility	grants	2	3	5	5	5	-	20
Model 12: Component 2 – Small-Scale Processing Facility for Pickles	loans	-	678	678	678	678	678	3,390
Model 13: Component 2- Herbal Soap Processing Facility	loans	-	2	2	2	2	2	9
Model 14: Component 2 – Herbal Tea Room and Herbal Soap Shop (Business/Shop)	loans	-	2	2	2	2	2	9
Model 15: Component 2 – Cold Storage Facility	loans	-	2	2	2	2	2	9
Subtotal	grants/loans	5	768	788	788	785	759	3,893
Total grants/loans	HHs	15	907	938	948	934	875	4,617
new employees from REGEPU MSMEs		HHs	9	911	957	957	898	4,684
additional beneficiaries from training, etc.		HHs	16	951	984	994	917	4,841
Total number of direct beneficiaries by REGEPU		HHs	40	2,769	2,879	2,899	2,866	14,142
Total number of direct beneficiaries by REGEPU		people	188	13,012	13,530	13,626	13,469	66,467

c. Financial analysis

¹ Gittinger, P., 1982. *Economic analysis of agricultural programmes*

² Belli, P., J.R. Anderson, H.N. Bamum, J.A. Dixon, and J-P. Tan (2001). *Economic Analysis of Investment Operations: Analytical Tools and Practical Applications*. WBI Development Studies, World Bank Institute, World Bank, Washington, D.C.

³ IFAD, 2015. *Economic and Financial analysis of rural investment programmes, basic concepts and rationale*.

Agricultural models and farm models

5. Eleven agricultural production models were developed, covering a range of crops. These include: four models for greenhouse horticultural crops (tomatoes, onions, sweet peppers, and cucumbers); four for the same horticultural crops in open field conditions; one models for medicinal and aromatic plants (MAPs), specifically sage and thyme; and two models for fruit trees—date palms and olive trees.

6. A total of six farm models were tailored to align with the two production-oriented grant. For Sub-component 1.1, three models were developed: (i) Greenhouse horticulture on 0.05 hectares (0.5 dunum); (ii) Open field horticulture on 0.20 hectares (2 dunums); (iii) Cultivation of MAPs (sage and thyme) under greenhouse conditions on 0.05 hectares (0.5 dunum). For Sub-component 1.2, three additional farm models were designed: (iv) Fruit tree cultivation (date palms) on 3 hectares (30 dunums); (v) Olive tree cultivation on 3 hectares (30 dunums); and finally (vi) Greenhouse horticulture on 1 hectare (10 dunums).

7. The table below presents the key agricultural assumptions and parameters. Water use (m³/ha) and water use efficiency (measured as kilograms of production per cubic meter of water) were central criteria in crop selection and model design. All proposed crops show improved water use efficiency under the with-programme (WP) scenario, which is particularly relevant for Jordan's water-scarce context. For instance, tomatoes grown in greenhouses improve from 6.86 kg/m³ in the without-programme (WOP) scenario to 17.14 kg/m³ under WP.

Table Yield assumptions and agricultural parameters

Yield Assumptions & Agricultural Parameters		Yield (kg/ha)					Increase	Post-harvest losses		Cost/Benefit ratio	Water Use (m³/ha)		Water Use Efficiency (kg/m³)	
								WP						
		WOP	y1	y2	y3	y4*		WOP	WP		WOP	WP	WOP	WP
Crops														
Vegetables (horticulture)														
Tomato (greenhouse)	24,000	29,000	35,000	45,000	60,000	150%	25%	10%	1.84	3,500	3,500	6.86	17.14	
Tomato (open field)	24,000	27,000	30,000	35,000	38,000	58%	25%	18%	1.57	5,000	5,000	4.80	7.60	
Onion (greenhouse)	27,000	32,500	39,000	45,000	55,000	104%	25%	10%	1.79	3,500	3,500	7.71	15.71	
Onion (open field)	27,000	30,500	34,000	40,000	45,000	67%	25%	18%	1.39	5,000	5,000	5.40	9.00	
Sweet peppers (greenhouse)	26,000	31,500	39,000	50,000	65,000	150%	25%	10%	2.94	2,500	2,500	10.40	26.00	
Sweet peppers (open field)	26,000	28,000	31,000	35,000	37,000	42%	25%	18%	2.32	5,000	5,000	5.20	7.40	
Cucumber (greenhouse)	30,000	36,500	44,000	57,000	70,000	133%	25%	10%	2.21	2,500	2,500	12.00	28.00	
Cucumber (open field)	30,000	34,500	38,000	45,000	50,000	67%	25%	18%	1.66	5,000	5,000	6.00	10.00	
MAPs														
Sage	8,600	10,500	13,000	16,000	18,000	109%	25%	20%	2.87	3,500	3,000	2.46	6.00	
Thyme	5,200	6,500	8,500	10,500	12,000	131%	25%	20%	2.87	3,500	3,000	1.49	4.00	
Fruit trees		*For trees, values refer to peak productivity at full maturity (not necessarily Y4)												
Olives (Y4 as the peak)	2,550	0	0	1,500	9,000	253%	15%	10%	2.19	1,000	1,000	2.55	9.00	
Dates (Y4 as the peak)	3,300	0	0	0	10,450	217%	20%	12%	2.63	1,000	1,000	3.30	10.45	

8. The shift from open field to greenhouse cultivation significantly enhances water productivity, resulting in greater yields and returns per hectare. For example, cucumber yields increase from 30,000 kg/ha to 70,000 kg/ha. Although water productivity for medicinal and aromatic plants (MAPs) such as sage and thyme is lower than for vegetables, their yields improve by 109 per cent and 131 per cent, respectively. In addition, with-programme (WP) interventions help reduce post-harvest losses, from 25 per cent to 10 per

cent for greenhouse vegetables and to 18 per cent for open-field production, further enhancing overall efficiency and profitability.

9. Model 1 presents a transition from open-field to greenhouse horticulture on a 0.05-hectare plot under Sub-component 1.1. The model includes the cultivation of tomatoes, onions, sweet peppers, and cucumbers. The total investment is estimated at JD3,800, primarily for greenhouse installation and drip irrigation systems to enhance water efficiency. The model yields a Financial Internal Rate of Return (FIRR) of 18 per cent, a Net Present Value (NPV) of JD3,620, and a benefit/cost (B/C) ratio of 1.95.

10. Model 2 represents open-field horticultural production on 0.2 hectares for the same crops—tomatoes, onions, sweet peppers, and cucumbers. The initial investment, also estimated at JD3,800, focuses on improving water efficiency through drip irrigation. This model shows a FIRR of 25 per cent, an NPV of JD6,240, and a B/C ratio of 2.27.

11. Model 3 illustrates the cultivation of Medicinal and Aromatic Plants (MAPs), specifically sage and thyme, under greenhouse conditions. The initial investment is JD3,800. The model delivers a FIRR of 23 per cent, an NPV of JD4,847, and a B/C ratio of 2.07.

12. Model 4 depicts the monocropping of Medjool date palms on 3 hectares under Sub-component 1.2. The estimated investment of JD15,087 is primarily allocated to improving water efficiency. This model yields a FIRR of 22 per cent, an NPV of JD127,418, and a B/C ratio of 3.45.

13. Model 5 focuses on the monocropping of olive trees over 3 hectares, also under Sub-component 1.2. The initial investment is estimated at JD15,087, directed mainly at water efficiency improvements. The model shows a FIRR of 19 per cent, an NPV of JD37,358, and a B/C ratio of 3.44.

14. Model 6 presents the conversion of open-field horticulture to greenhouse production on a 1-hectare plot (equivalent to 10 dunums). The total investment is JD15,083. This model shows a strong financial performance with a FIRR of 82 per cent, an NPV of JD93,640, and a B/C ratio of 2.73.

Agribusiness / MSME models

1. Ten financial models were developed to reflect the proposed programme activities. These models are based on data gathered during field visits and from the ongoing IFAD-supported REGEF programme. The models cover a range of agribusiness and micro/small-scale enterprise (M/SME) activities, and are categorized to the type of programme financial support and the relevant component and sub-component as follows:

For Sub-component 1.1, three models were developed: (vii) Green jobs: harvesting/tillage service provider; (viii) Small-Scale Processing Facility for Cultivated Herbal and Medicinal Aromatic Plants (HMAPs); (ix) Small-Scale Processing Facility for Pickles. For Sub-component 1.2, three models were designed: (x) Small-Scale Processing Facility for HMAPs (Oil Production), (xi) Small-Scale Processing Facility for Olive Oil; (xii) Cold Storage Facility. For Component 2: four models were built: (xiii) Small-Scale Processing Facility for Pickles; (xiv) Herbal Soap Processing Facility; (xv) Herbal Tea Room and Herbal Soap Shop (Business/Shop); (xvi) Cold Storage Facility.

2. The following table shows financial performance of the agricultural farm models and MSME models. The financial internal rate of return (FIRR), NPV, and benefit/cost ratio for the models are good, indicating the financial viability of the proposed activities.

Table Financial performance of Agricultural farm models and MSME models

Agricultural Farm models and MSME models	FIRR at 7% discount rate, 20 years	NPV (in JD, 20 years 7% discount rate)	B/C ratio

Model 1: Sub Comp 1.1: Transition from Open Field to Greenhouse Horticulture	18%	3,620	1.95
Model 2: Sub Comp 1.1: Open-Field Vegetable Horticulture	25%	6,240	2.27
Model 3: Sub Comp 1.1: Medicinal and Aromatic Plants (MAPs) – Sage and Thyme under Greenhouse Cultivation	23%	4,847	2.07
Model 4: Fruit Tree Cultivation (Sub Comp 1.2) – Monoculture of Medjool Date Palms	22%	127,418	3.45
Model 5: Fruit Tree Cultivation (Sub Comp 1.2) – Monoculture of Olive Trees	19%	37,358	3.44
Model 6: Sub Comp 1.2: Conversion from Open-Field to Greenhouse Horticulture (10 dunums)	54%	93,640	2.73
Model 7: Sub Comp 1.1- Green jobs: Harvesting / tillage service	82%	17,622	1.02
Model 8: Sub Comp 1.1 – Small-Scale Processing Facility for Cultivated Herbal and Medicinal Aromatic Plants (HMAPs)	44%	24,231	1.02
Model 9: Sub Comp 1.1 – Small-Scale Processing Facility for Pickles	58%	56,010	1.06
Model 10: Sub Comp 1.2 – Small-Scale Processing Facility for HMAPs (Oil Production)	56%	149,551	1.02
Model 11: Sub Comp 1.2 – Small-Scale Processing Facility for Olive Oil	43%	122,237	1.03
Model 12: Sub Comp 1.2: Cold Storage Facility	44%	106,250	1.06
Model 13: Component 2 – Small-Scale Processing Facility for Pickles	48%	46,772	1.02
Model 14: Component 2- Herbal Soap Processing Facility	75%	1,237,052	1.14
Model 15: Component 2 – Herbal Tea Room and Herbal Soap Shop (Business/Shop)	50%	214,092	1.13
Model 16: Component 2 – Cold Storage Facility	75%	285,841	1.18

3. Model 7 represents a standard green job under Sub-component 1.1, specifically a harvesting/tillage service provider. The model assumes a capacity of 250 hectares per year, reaching full operational capacity by Year 2. The total investment is estimated at JD3,550. The model generates a Financial Internal Rate of Return (FIRR) of 44 per cent, a Net Present Value (NPV) of JD17,622, and a Benefit-Cost (B/C) ratio of 1.02.

4. Model 8 presents a Small-Scale Processing Facility for Cultivated Herbal and Medicinal Aromatic Plants (HMAPs) under Sub-Component 1.1. The facility has a processing capacity of 3,000 kg of dry herbs per year, reaching full operational capacity by Year 4. It employs three staff members (one supervisor and two operators). The total investment is estimated at JD3,550. The model yields a FIRR of 44 per cent, an NPV of JD24,231, and a Benefit-Cost (B/C) ratio of 1.02.

5. Model 9 illustrates a Small-Scale Processing Facility for Pickles under Sub-Component 1.1, with an annual processing capacity of 52,000 kg, reaching full development by Year 4. The investment requirement is JD3,800. This unit achieves a FIRR of 58 per cent, an NPV of JD56,010, and a B/C ratio of 1.06.

6. Model 10 represents a Small-Scale Oil Production Facility for HMAPs under Sub-Component 1.2. With an annual capacity of 1,463 litres, the facility reaches full development by Year 4. The investment is estimated at JD12,070. The model demonstrates a FIRR of 56 per cent, an NPV of JD149,551, and a B/C ratio of 1.02.

7. Model 11 depicts a Small-Scale Olive Oil Processing Facility under Sub-Component 1.2, with a processing capacity of 195,000 kg per year, reaching full capacity by Year 4. The investment requirement is JD12,070. The facility yields a FIRR of 43 per cent, an NPV of JD122,237, and a B/C ratio of 1.03.

8. Model 12 presents a Cold Storage Facility under Sub-Component 1.2, with a capacity of 25,000 kg per cycle (50,000 kg per year), reaching full development in Year 4. The investment cost is estimated at JD28,400. The model delivers a FIRR of 44 per cent, an NPV of JD106,250, and a B/C ratio of 1.06.

9. Model 13 represents a Small-Scale Pickle Processing Facility under Component 2, with a daily processing capacity of 200 kg, reaching full capacity by Year 4. The initial investment is estimated at JD4,970. This model yields a FIRR of 48 per cent, an NPV of JD46,772, and a B/C ratio of 1.02.

10. Model 14 depicts an Herbal Soap Processing Facility under Component 2, reaching full operation at year 4. The total investment is estimated at JD49,700. At full capacity, raw materials and packaging

account for approximately 67 per cent of operating costs. The model shows a FIRR of 75 per cent, an NPV of JD1.24 million, and a B/C ratio of 1.14.

11. Model 15 describes an Herbal Tea Room and Herbal Soap Shop under Component 2, reaching full operation by year 4. The business provides employment for five people (one supervisor and four operators). The investment of JD49,700 covers furniture and equipment. This model yields a FIRR of 50 per cent, an NPV of JD214,092, and a B/C ratio of 1.14.

12. Model 16 illustrates a Cold Storage Facility under Component 2, with a storage capacity of 100 tonnes per year, reaching full development by year 4. The required investment is JD49,700. The model achieves a FIRR of 75 per cent, an NPV of JD285,841, and a B/C ratio of 1.18.

Summary of the Performance of the Financial Models

13. The Programme net cash flows are based on the incremental approach, which results from comparing the With Programme Situation and Without Programme situations⁴. The financial models have been calculated at 7 per cent discount rate. The below table summarizes the models as well as their financial performance.

⁴ IFAD, 2015, Economic and Financial analysis of rural investment programmes, basic concepts, and rationale.

Table Financial model's cash flows

Table A: Models' financial cash flow																	
F I N A N C I A L A N A L Y S I S		Models' net incremental benefits -NIB (in JD)															
		Agricultural Farm models						Agri-business and micro/small-medium enterprises (M/SME) models									
		Model 1: SubComp 1.1: Transition from Open Field to Greenhouse Horticulture	Model 2: SubComp 1.1: Open-Field Vegetable Horticulture	Model 3: SubComp 1.1: Medicinal and Aromatic Plants (MAPs) – Sage and Thyme under Greenhouse	Model 4: Fruit Tree Cultivation (SubComp 1.2) – Monoculture of Medjool Date Palms	Model 5: Fruit Tree Cultivation (SubComp 1.2) – Monoculture of Olive Trees	Model 6: SubComp 1.2: Conversion from Open- Field to Greenhouse Horticulture (10 dunums)	Model 7: SubComp 1.1- Green jobs: Harvesting / tillage service	Model 8: SubComp 1.1 – Small-Scale Processing Facility for Cultivated Herbal and Medicinal	Model 9: SubComp 1.1 – Small-Scale Processing Facility for Pickles	Model 10: SubComp 1.2 – Small-Scale Processing Facility for HMAPs (Oil Production)	Model 11: SubComp 1.2 – Small-Scale Processing Facility for Olive Oil	Model 12: SubComp 1.2: Cold Storage Facility	Model 13: Component 2 – Small-Scale Processing Facility for Pickles	Model 14: Component 2- Herbal Soap Processing Facility	Model 15: Component 2 – Herbal Tea Room and Herbal Soap Shop (Business/Shop)	Model 16: Component 2 – Cold Storage Facility
	PY1	-3,491	-3,429	-3,296	-31,700	-17,390	-14,717	-2,509	-3,885	-5,026	-26,256	-28,524	-26,367	-5,360	-114,058	-42,203	-34,939
	PY2	241	377	467	-83	-1,253	3,255	2,067	-1,101	-2,741	8,982	4,381	6,993	-3,597	18,478	10,829	17,821
	PY3	481	735	705	562	18	7,042	2,067	1,914	4,086	15,820	12,726	11,953	3,178	109,714	22,491	29,281
	PY4	818	1,068	871	67	54	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY5	818	1,068	871	2,172	1,924	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY6	818	1,068	871	5,540	1,936	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY7	818	1,068	871	6,916	3,767	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY8	818	1,068	871	7,582	5,715	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY9	818	1,068	871	11,012	8,110	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY10	91	1,068	871	13,771	8,110	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY11	818	1,068	871	15,788	9,787	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY12	818	1,068	871	22,003	10,273	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY13	818	1,068	871	27,517	10,123	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY14	818	1,068	871	32,348	10,279	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY15	818	1,068	871	38,388	9,793	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY16	818	1,068	871	44,028	10,279	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY17	818	1,068	871	51,659	10,279	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY18	818	1,068	871	52,304	12,395	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY19	818	1,068	871	52,136	11,678	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	PY20	1,309	1,068	871	51,659	12,395	12,397	2,067	3,421	7,499	19,239	16,899	14,433	6,566	155,332	28,322	35,011
	B/C	1.95	2.27	2.07	3.45	3.44	2.73	1.02	1.01	1.06	1.02	1.03	1.06	1.01	1.14	1.13	1.18
	NPV (in JD) @ 7%	3,620	6,240	4,847	127,418	37,358	93,640	17,622	24,231	56,010	149,551	122,237	106,250	46,772	1,237,052	214,092	285,841
	FIRR	18%	25%	23%	22%	19%	54%	82%	44%	58%	56%	43%	44%	48%	75%	50%	75%

d. Economic analysis

Assumptions

14. **Economic prices.** In line with estimates from The Economist Intelligence Unit (EIU), the Official Exchange rate has a fixed exchange rate. The Jordanian dinar has been pegged to the US dollar at a rate of JD0.71:US\$1 since 1995. Financial prices have been converted to economic by applying the following conversion factors. For non-tradable goods, a conversion factor of one was used since they are generally purchased at local level, without significant tax distortions. For labour, the opportunity cost conversion factor is 0.79⁵ based on the unemployment rate in Jordan. For the tradeable goods and equipment, the Standard Conversion Factor (SCF) 0.98 has been calculated and applied.

15. All models are expressed in 2025 constant prices. The analysis builds on primary data collected by the preparation team during field visits from the April/May 2025 IFAD design mission in Jordan and by the interaction with JEDCO and the Government of Jordan and on-going IFAD programmes⁶ and sources from different organization. Conservative assumptions and parameters have been applied, to avoid over-estimation of benefits and provide realistic results.

Table Standard Conversion and Social Discount Factors

Conversion factor	
CF for tradeable goods	0.98
CF for labour	0.79
CF for non-tradeable goods	1.00
Social discount rate	10%

16. **Social discount rate.** The economic discount rate has been set at 10 per cent, representing the average deposit interest in Jordan. This rate reflects the social opportunity cost of capital and has been used to calculate the economic Net Present Value (NPV) and future net incremental benefits.

Results

17. The period of analysis is 20 years to account for the phasing and gestation of the proposed interventions. Economic benefits from the agricultural activities and agri-business /MSME/ models have been aggregated using average incremental net benefits and beneficiaries for each agricultural and agri-business activity under the Programme interventions and assuming different adoption rates, extracted from the costing exercise. Economic benefits from enterprise models have been aggregated using an expected number of small enterprises to be supported by the Programme. Benefits are phased-in progressively for all types of interventions. An adoption rate of 70 per cent has been applied as a conservative and realistic assumption—intended to avoid overestimating the benefits—drawing on experience from similar programmes.

18. Economic costs associated with agricultural and agri-business /MSME/ activities were estimated at US\$39.07 million. To calculate the economic costs accurately, the investment costs for the main programme interventions (grant, matching grants, microloans and loans) represented in the EFA and considered in COSTAB, have been excluded. The reason for removing these costs is to prevent duplicate counting or inclusion of the same expenses more than once. The economic costs have then been deducted from the overall economic benefit stream to obtain the Programme's net incremental benefit stream. The economic analysis shows satisfactory results, with a NPV at US\$29.57 million and an EIRR of 23.11 per cent, suggesting that the overall Programme is economically profitable.

Table Results of the economic analysis

Sensitivity Analysis	Base case
IRR (%)	23.11
NPV (in US\$ million)	29.57

Sensitivity analysis

⁵ Rate of unemployment Jordan (2024) equal to 21.5%, Department of Statistics of Jordan.

⁶ REGEF IFAD programme

19. Results were tested for sensitivity to variations in benefits and costs and for various lags in the realization of benefits. A delay of 2 years in the generation of benefits or a decline of 30 per cent relative to the base scenario would reduce the EIRR to 18.68 per cent and 19.39 per cent respectively, substantially above the discount rate. Cost overruns would have very moderate impact, with EIRR falling to 20.41 per cent with a 30 per cent increase. Additionally, the analysis incorporates phased climate-related shocks, where a 30 per cent reduction in yields leads to an EIRR of 20.41 per cent. All scenarios show robust results under all hypothetical scenarios.

Table Results of the sensitivity analysis

Net cash flow - Scenario	EIRR (%)	NPV (million US\$)
base scenario	23.11%	29,573,216
costs +10%	22.19%	27,947,767
costs +20%	21.30%	26,322,318
costs +30%	20.45%	24,696,869
benefits +10%	23.98%	34,155,986
benefits +20%	24.73%	38,738,757
benefits -10%	22.09%	24,990,445
benefits -20%	20.87%	20,407,675
benefits -30%	19.39%	15,824,905
benefits delayed 1 year	20.89%	23,365,263
benefits delayed 2 years	18.68%	17,739,604
yields -10%	22.54%	28,292,547
yields -20%	21.98%	27,011,877
yields -30%	21.41%	25,731,208

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Annex 5: SECAP Review Note

Mission Dates: 26/04 to 16/05/2025

Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
Programme Management Department

The SECAP Review note should build on the preliminary note mentioned above, draw on the results of the screening exercise and be informed by the issues raised during the design mission, the stakeholders interviews, publicly available tools and dataset, and environmental, social or climate-related studies that inform on the characteristics of the project location. The SECAP review note includes the revised ESMP and should be attached to the Project Design Report, integrated in Draft Project Implementation Manual (PIM) and COSTAB and shall be submitted to Design Review Meeting (DRM) or IRC (for NSOs).

1. Introduction

1. The Rural economic Growth and Employment Programme UP (REGEP UP) programme aims to upscale the IFAD co funded programme REGEP which is to complete by September 2025. The main objective of the REGEP UP is to increase rural poor's productive capacity, incomes and generate employment opportunities for the poor through sustainable natural resource management practices and MSMEs development. The programme will have a national scope, targeting *all* country 12 governorates. The programme has 7 subcomponents as follow:
 - Sub-component 1.1 -Microentrepreneurs production and processing
 - Sub-component 1.2 - Value chain and SME development
 - Sub-component 2.1 - Improved access to finance for MSMEs
 - Sub-component 2.2 - Strengthened technical capacity of PFI
 - Sub-component 2.3 - Improved financial literacy among rural residents
 -
 - Sub-component 3.1 - Policy Engagement
 - Sub-component 3.2 - Programme management
2. Major activities include:
 - Capacity building and business development for farmers, processors and rural service providers through agricultural trainings, mentoring and incubation,
 - Investment in water saving infrastructures which provides adaptation and environmental ambitions and economic upside to rural poor,
 - Rural financing funding through a dedicated credit line,
 - Product and capacity development for financial institutions such as new loan products better tailored to sector seasonality/yield sequencing and climate and environmental vulnerability,
 - Enhanced financial literacy and business plan preparation helping the rural poor to make informed and responsible financial programme and decision.
3. The programme will target vulnerable populations including poor small-scale farmers and entrepreneurs, women, unemployed youth and refugees in the rural areas of all governorates of Jordan, which also represents a significant upscaling. The programme's target groups will comprise approximately 14 000 rural households in poverty pockets disseminated across the country.
4. The purpose of this SECAP Review Note (SRN) is to identify: 1) the inherent social, environmental and climate risks related REGEP UP activities and targeted areas, and 2) recommend measures to avoid, minimize, mitigate, and compensate for any residual impacts. The SRN was initially prepared as a part of the programme concept note which took place in November 2024 and finalized during the design phase in May 2025. The analysis builds on the lasted version of the SECAP risk screening tool, exchanges with PDT mission members, the ongoing REGEP implementing partners (JEDCO, NARC, JRF), interviews with programme target groups, as well as data from available literature. Detailed description of the risks and mitigation measures is included in the programme's ESCMP presented following the SECAP review note.
5. UN Women and Islamic development bank have been identified as co financiers. In case these co financing materialize, it has been agreed that IFAD will be the leading agency, and IFAD SECAP will apply to all programme activities regardless of financiers.

2. Potential Social, Environmental and Climate risks and impacts of the project

Potential Social, Environmental and Climate risks and impacts of the project are described below:

2.1 Biodiversity conservation

6. The biodiversity risk rating is assessed overall as moderate.
7. **Degradation of Biodiversity.** The risk level for this subcategory is assessed as low. REGEP will support horticulture farming and related off farm businesses. These activities may have impact on natural habitats such as soil, underground and surface water pollution due to unsustainable practice and chemical overuse if not managed sustainably. The conversion or degradation of biodiversity may eventually occur due to infrastructures installation and/or expansion of agricultural activities. To mitigate these risks, the programme will promote agricultural practices that reduces impacts on these resources by supporting cropping system

diversification, Integrated pest management, water and soil conservation practices and support environmentally responsible small businesses. It will consider areas for any infrastructures to be constructed or rehabilitated which were already used for agricultural purposes or cleared prior programme. Environmental due diligence and REGEF/IFAD exclusion lists will apply for loans delivered through the credit line. For grants, the selection process will exclude programme will potential negative impacts on biodiversity and SECAP checklist will be apply during infrastructure work.

8. **Protected habitats.** The risk level for this subcategory is assessed as low The country has four agroecological zones and 13 Protected Areas. The latest covers approximately 4.5% to 6% including nature reserves, national parks, and other conservation areas. Since the programme is nationwide and will intervene in all 12 governorates, It is theoretically possible that some programme activities could border some protected areas however this is considered to be unlikely. The programme will ensure through its geographical targeting selection criteria that no interventions within the selected clusters are taking place in the proximity or within any of these protected areas.
9. **Procurement of natural resource material.** Medium to Small-scale rural and processing infrastructures, such as greenhouses, water conservation facilities and machineries, as well as agricultural inputs such as small materials, seeds, plants will be supported by the programme grants and loans. These items will involve the procurement of natural resources material such as sand, cent, gravel, plants. To address the risks related to that, the programme will aim to suggest a list of sustainable suppliers to beneficiaries, committed to minimizing environmental impact whenever feasible. For procurement handle directly at PMU level procurement will Favor suppliers that can demonstrate that they are not contributing to significant conversion or degradation of Natural or Critical Habitats. Upon agreement, Banks may impose to large loan borrower to give preference to buying from a member of the United Nations Global Compa. The level of risk related to procurement of natural resources is considered as moderate.

2.2 Resource efficiency and pollution prevention

10. The resource efficiency and pollution risk rating is assessed overall as moderate.
11. **Release of pollutant.** As the programme will focus on the horticulture value chains and involve support to fruits and vegetable production, pollutants may be released, either routinely or by accident. Production related pollutants may include plastic residue, chemical fertilizer and/or phytosanitary substance which can cause water and soil pollution at localized level. They also may be a risk associated with nutrient leaching or wastewater release in small scale food transformation or dairy processing activities supported by the programme. As Jordan's environment is considered sensitive with limited natural resources, the risk of pollution can be considered at moderate. Grants and loans screening, capacity building activities including management of plastic pollution and the appropriate use of fertilizer and pesticide products will be part of the programme activities
12. **External source pollution.** The risk level is assessed as moderate. Jordan faces significant challenges with soil and water pollution due to limited water availability, agricultural runoff, and industrial activities. As the programme will operate in all 12 governorates, some target areas may overlap with regions affected by historical or ongoing pollution. External pollution will be carefully assessed site by site as well as existing affordable technologies to mitigate pollution impact.
13. **Consumption of raw materials and energy.** The risk is assessed as low. The programme will require consumption of raw materials and energy, mostly under the component 1 through the financing of water efficient and processing infrastructures. Raw material quantities involved are comparatively limited as a significant share of support to physical infrastructure will consist in the construction of small to medium assets or rehabilitation existing assets. Potential related impacts can be appropriately managed by the programme. A SECAP check list for construction work related to grants has been developed and is presented in appendices to the ESCMP. It is meant to help the selected implementing partner in the supervision of grants involving raw material and construction. The risk rating is therefore considered as low.
14. **Irrigation schemes and water resource.** The risk is assessed as moderate. Jordan is ranked among the most water-scarce countries globally, along with nearly all its neighbors. About 92.5% of Jordan's rainfall evaporates – this includes transpiration in rainfed and rangeland areas (green water); 5% recharges the groundwater, and 2.5% runs off to bodies of water.
15. The programme will finance through grants or loans the rehabilitation of irrigation schemes (below 300 hectares) thought the financing of eligible water efficient infrastructures such as water harvesting facilities, ponds rehabilitation, irrigation technologies, greenhouse and solar pumps which may consequently expand production and water consumption if assets are inappropriately used by farmers.
16. As part of the grants eligible criteria, water storage infrastructures shall be supplied by surface water source, reused water or direct rainwater harvesting. Farmers relying on mix water source including groundwater may benefit from water saving technologies if they are willing to convert to high water productivity crop, rely on a permitted water source, and don't foresee expansion. Following programme's objective to support water saving practices, before investment is provided, the programme will support beneficiaries through capacity building on climate smart agriculture practices to maximize agriculture water use through water efficient crops selection, water conservation technique, improved irrigation design and practices and support to evaluate return per cubic meter of water used (i.e. Economic water productivity). Loan proposal will also be assessed based on impact on water resources and exclusion lists. More details on water source in the agricultural sector, repartition and use by value chains is provided in the ESCMP.
17. **Use of Agrochemicals.** The risk level related to the use of agrochemical is considered as moderate. As mentioned under the above section on release of pollutant, the use of pesticides, phytosanitary product and synthetic fertilizer in the agricultural production is very widespread in Jordan in response to poor land fertility. As of 2020, the average application rate of inorganic fertilizers in Jordan was approximately 129 kilograms per hectareof cropland. This figure aligns with the global average reported for that year. There are no legally mandated limits on the quantity of pesticides that can be applied per hectare but efforts are

being made by the Ministry of Agriculture to update Pesticide Management Regulations (see regulation section) and the maximum residue limits (MRLs) for pesticides in food are primarily based on international standards, notably those set by the Codex Alimentarius Commission, and, in certain cases, the European Union (EU) regulations.

18. The programme will procure pesticides and chemical fertilisers for demonstration plots to demonstrate proper dosage. Although the programme will include pesticides products as part of the exclusion list for grants support, chemical fertilizers will be eligible. Loans may be used to purchase both pesticides and fertilizers. Risk of autonomous overuse of these highly concentrated products can therefore be a risk for Human health and the environment. The starting package for model farms will also result in the use of fertilizer and/or organic phytosanitary substances but under the supervision of extension services which will provide guidance on the correct application and dosage. Alternatively, the programme will also promote Integrated Pest management and demonstrate practices to avoid agrochemicals including the use of biopesticides and organic fertilizers which are further detailed in the ESCMP.
19. **Production of natural resources.** The programme is designed to strengthen Jordan's horticulture value chains at a national level, while also supporting the development of off-farm small and medium enterprises linked to the value chain. The programme is therefore fully oriented around the production in exist production area, processing, and commercialization of living natural resources — including the cultivation of vegetables, and fruits. Beneficiaries participating in the program will receive financial support to invest in agricultural inputs and assets including water harvesting and water efficient technologies along capacity building to increased production in a water scare context. While the broader availability of inputs is expected to drive productivity gains, there is a recognized risk that some smallholders, small and medium enterprise may adopt unsustainable agricultural and transformation practices if not properly guided. Consequently, the environmental and social risk associated with this aspect of the programme is considered moderate. Specific mitigation measures have been incorporated into the ESCMP to address these risks and promote sustainable practices.
20. **Production of animal product.** Poor households will mostly benefit from investments in home-based food processing activities, which can include production of small quantity of dairy product such as fresh cheese. The risk is considered as minor as this activity will have a limited scale.

2.3 Cultural heritage

21. Given the nature of the programme and the lack of large-scale infrastructure components, risk of unintended negative impact on sites of cultural values is not envisaged. With regard to intangible cultural heritage such as traditional food processing practices, which might have a cultural value, no specific risks have been identified, given the small-scale of the intervention. Conversely, the programme intends to support women producers and entrepreneurs to invest, improve and add value to their traditional processed food for local markets.

2.4 Indigenous peoples

22. Bedouins of Jordanian origins represents 40 percent of the population. However, they are not recognised as indigenous in Jordan. Other groups include Circassians (1 per cent), Armenians (1 per cent), Bani Murra (70,000). Northeastern Jordan is one of the few remaining regions in the Middle East where pastoral nomadism is still practiced. In this desert region, pastoral mobility is an adapted land use able to cope with low rainfall rates, great seasonal and annual rainfall variations and thus heterogeneous vegetation and water availability. In the Western region of the country, some groups of pastoralists herd sheep and goats. These groups are not included in the programme's target groups. At the current design stage unintended negative impact on their land and resource rights are not envisaged.

2.5 Labour and working conditions

23. Risks related to Occupational Health and Safety, child labour and gender-discriminatory practices in labour and working conditions are assessed as moderate.
24. With regard to Occupational Health and Safety (OSH) some issues have been identified during field visits. Agricultural workers in the country often face unsafe and precarious labor conditions, which require the implementation of adequate mitigation strategies. Jordan has made considerable advancements in the national legal framework regulating the labor rights of agricultural workers, The recently approved bylaw on Agricultural Workers (2021) defines working hours, vacations and social security standards for both Jordanians and migrant laborers. It also highlights specific measures for female agricultural workers (10 week paid maternity leave, overpaid time etc.), who comprises 50 percent of the total number of agricultural laborers in the country (approximately 120.000 people).
25. Despite these notable achievements, there is still limited awareness of existing regulations and very few of the people met during filed visits have received adequate training. Rural laborers continue to be exposed to unsafe and hazardous labor conditions as they tend to endure long hours of work, lack protective equipments when they apply chemicals pesticides and receive inadequate safety training. Rural laborers working on dates production in the Jordan River Valley, face challenges and risks as they have to climb the trees when collecting the fruits. Women labourers endure even harsher labour conditions, including unsafe transportation, poor access to toilets and basic services, risk of sexual harassment and poor payment as compared to their male counterpart. The gender pay gap in agriculture is deep, ranging from 30 to 50%. This stems from the underlying bias that women's tasks in agriculture (e.g. seeding, harvesting etc.), are lighter and require less physical strength, as compared to men's tasks.
26. Regarding child labour, the agricultural sector is the second-largest industry that employ children in Jordan, accounting for 27.5% of the total child workers in the country. The incidence of child labour is higher in remote rural areas. Children engaged in agricultural work are exposed to hazardous conditions such as handling dangerous machinery, exposure to harmful pesticides,

and performing physically demanding tasks. Under the new regulation, children younger than age 16 cannot work in agriculture and those between ages 16 and 18 can only be engaged in non-hazardous work. Yet, there is a need to deepen and expand awareness of various stakeholders on child labour rights and ensure the programme's full compliance with labour standard and the national labour law and child protection legislations.

27. Risk of forced labor, under REGEP UP is extremely unlikely, considering that civic work for infrastructure development is not envisaged under the program. The programme will predominantly focus on promoting water-saving technologies, climate-smart agricultural practices, enterprise development and commercialization. None of these activities are expected to utilize forced labor in the programme's areas.
28. Overall, with regard to labor conditions, the programme will sensitize rural producers and entrepreneurs on the importance that they comply with national legislation on labor conditions, minimum wage (260 JD per month) and OSH standards when hiring workers. This will be considered as a condition to access programme's support. Risk of child labor in agriculture will be mitigated through the implementation of dedicated awareness-raising activities on the impact of labor on children and on the provisions of the law during training activities.
29. Safe labor practices will be promoted among small and medium enterprises (SMEs) working in food production and processing, through the implementation of training and awareness raising on labour regulations and OSH standards including the use of protective equipment, and first aid boxes. REGEP UP will also replicate the experience of REGEP, which has promoted a safe work environment in home-based micro-enterprises, mostly dominated by women. This included the provision of training and financial resources to ensure a clean, hygienic and safe working environment.

2.6 Community health and safety

30. The major risk in terms of human health is the exposure to pesticides and agro-chemicals that might be purchased by farmers or applied by farm workers, sometimes without wearing adequate protective equipment. This risk will be mitigated through training and sensitization on the negative health impact of exposure to pesticides, that will be integrated in training curriculum with farmers including medium scale commercial farms.
31. Unintended negative impact on nutrition is not envisaged. Many of the target value-chains are
32. nutrition-sensitive (e.g. horticulture, olive oil, etc.) and the programme's interventions, will apply a nutrition-sensitive approach to food system transformation. This intends to leverage opportunities for nutrition-sensitive interventions across all functions and activities of food systems and value-chains. Activities targeting women small-scale producers and entrepreneurs will support the processing of healthy and nutritious food to be sold in local markets. These includes dried fruits and vegetables, aromatic herbs such as thyme and origan, and traditional medicinal plants. In addition, the programme will deliver training to support behavioral changes in nutrition habits especially aimed at tackling unhealthy food practices leading to high rates of obesity, diabetes and anemia among women and girls.
33. Negative impact on water availability for human consumption, as a result of overextraction of groundwater for farming, is not envisaged, as the programme will ensure that grants and loans to be distributed should exclude any programmes that use groundwater or municipal water for irrigation.
34. Enterprise development activities targeting women and girls and fostering women's economic empowerment might unwittingly generate intra-household tensions, which could escalate into domestic violence. According to REGEP implementing partners this risk is low. In fact, male family members, especially from low-income families, tend to support women's participation in economic activities outside of the household since they perceive the benefits of an additional income stream for the whole family. Yet, the programme will minimize risk of intra-household tensions by integrating gender norms dialogue sessions and awareness raising on GBV in all programme's activities. The Jordanian River Foundation (JRF), which was one of the p REGEP implementing partners and is also a member of the PSC has a consolidated experience in integrating GBV prevention and response measures in their operations.

2.7 Physical and economic resettlement

35. Given the nature of the programme, risk of physical and economic resettlement is not envisaged.

2.8 Financial intermediaries and direct investments

36. Component 2 of the programme aims to enhance access to rural finance through a dedicated credit line managed by a well-established national financial partners institution. The Central Bank of Jordan (regulator agency) and Agriculture Credit Cooperation will be the primaries financial intermediaries. Selected Commercial banks and microfinance institutions, as well as ACC will then be involved as secondary intermediaries in the provisions of loans directly to agricultural SMEs and individuals. SME loans provided via the CBJ financing facility will have an average size around USD 70,000 (up to USD 140,000 – JOD 100,000). The Microloans via the Agricultural Credit Corporation (ACC) will be capped at USD 14,000 – JOD 10,000 (with an average of USD 7,000).
37. ACC and CBJ both adhere to guidelines ensuring ethical and legal financial operations, and institutions are in the process of establishing an environmental and social management system (ESMS) to assess, manage and monitor the risks and impact of their investments. The risk associated with this component is therefore assessed as moderate.
38. To ensure that ACC and CBJ operate in alignment with IFAD's SECAP principles and apply commensurate environmental and social due diligence to loan requests, the agreements signed between the programme and these financial institutions will include

a dedicated Environmental and Social Action Plan (ESAP). The ESAP is designed to strengthen and enhance the Environmental and Social Management Systems (ESMS) of both ACC and CBJ. Its implementation will be supported by REGEF-UP through the technical assistance provided under Sub-Component 2.2. Further information on the current status of each institution's ESMS and the corresponding ESAP actions can be found in the ESCMP and its appendices.

39. In addition, and to further support loan recipients, the programme will provide financial literacy training and assistance with business plan preparation to empower beneficiaries to make informed decisions and implement responsible financial programmes. Technical assistance to banks will also be provided as part of subcomponent 2.2 to build the capacity of the banking sector to adopt the principles of responsible banking and offer adapted credit products to the agri sector.

2.9 Climate change

40. **Climate-related hazards.** The programme intervention areas expect to face high risk of hazard in the following areas: river flood, landslide, Water scarcity, extreme heat and wildfire.
41. According to the ThinkHazard tool used as a reference here potentially damaging river floods are expected to occur at least once in the next decade, particularly in Irbid, Balqa, and Zarqa governorates. Landslide susceptibility is high due to rainfall patterns, terrain slope, geology, soil characteristics, land cover, and potential seismic activity. Water scarcity is critical, with demand exceeding supply by approximately 200 million m³ annually, currently addressed through over-pumping of groundwater. Groundwater provides 58% of the total water supply, but six of the 12 major groundwater basins are overexploited, four are at full capacity, and only two remain underutilized. Current average annual rainfall is 200 mm and is expected to decrease by 2100. Extreme heat and drought are expected every five years and projection shows that, for a summer month, the average of maximum temperature for the whole country could exceed 42- 44°, posing risks to agriculture and water availability, while wildfire risks are significant, especially in eight of the 12 governorates.
42. **Future climate scenarios** indicates (i) further decreases in total precipitation, (ii) increasingly unpredictable and heterogeneous precipitation across the landscape, (iii) an increase in average temperatures of up to 4°C, (iv) increased rates of drought occurrence, length, and severity, and (v) more frequent extreme events, such as cyclones. predict substantial temperature increases and rainfall decrease.
43. By the end of the century, under the RCP 8.5 scenario, median temperatures are projected to rise between 1.6°C to 4.04°C, with stronger warming in the eastern and southern regions. Mean temperatures are expected to increase by a median of 2.4°C by 2059, although the southwest frontier may experience slightly less impact until 2050. Annual cumulative precipitation is projected to decrease by 13% to 22% under the SSP5-8.5 scenario, while variability in rainfall will rise significantly, leading to unpredictable weather patterns. Extreme events, including heat waves, are expected to intensify, with the number of heat wave days projected to reach 40 days annually by 2100.
44. The programme will target areas in the valleys, semi-arid highlands, the Badia (desert), and along riverbanks—regions particularly vulnerable to climate-related hazards. An evaluation of the occurrence and severity of physical climate hazards for the main agroecological zone of Jordan indicate that soil moisture stress, long dry spells, and the frequency and duration of heat stress are the most pressing agricultural issues.
45. The agriculture and horticulture sectors in these zones are expected to face significant challenges as climate change intensifies. Rising temperatures and increased drought conditions, coupled with declining rainfall, will reduce overall water availability at the same time that crop water requirements increase. This imbalance will negatively affect agricultural productivity, especially for water-sensitive crops. Higher temperatures during critical growth stages—such as flowering—are projected to cause substantial yield losses due to short-term heat stress. By the 2070s, irrigation demand may increase by 5% to 20% or more, driven by elevated evaporative losses. Projections estimate yield reductions of 5% to 20% across key crops. For instance, a 2°C temperature increase could lower wheat yields by up to 10%, while vegetable yields may decline by 5% to 10%. Olive production is also at risk, with potential yield reductions of 5% to 10%, alongside notable declines in oil quality.
46. In addition to precipitation reduction, its variability is expected to increase significantly, posing major risks for agriculture—particularly for the 70% of farmland that is rain-fed. Shifts in rainfall patterns are likely to shorten the growing season, making traditional planting calendars less reliable. Farmers will need to adjust sowing and harvesting times to maintain yields under new climate conditions. A delayed or more erratic rainy season will reduce the productivity of cereals and winter crops, while the projected increase in drought frequency will further constrain yields. These compounding pressures underscore the growing vulnerability of Jordan's agricultural sector and the urgent need for adaptive strategies.
47. Jordan's sensitivity to the adverse effects of climate change is complex, shaped by a mix of strengths and vulnerabilities. The country benefits from political stability, the absence of major diseases, and relatively high human development indicators, such as a strong HDI and MPI index. Despite an inequality index below 5, Jordan hosts large refugee populations, including 1.3 million Syrians, of whom 634,728 are registered with UNHCR (82.1% living in host communities and 17.9% in camps), and approximately 2.4 million Palestinian refugees registered with UNRWA. Vulnerable groups, particularly refugees, face precarious food security and limited economic opportunities, leaving them disproportionately affected by climate change impacts and exacerbating existing social inequalities.
48. Jordan is also one of the most water-poor countries in the world for renewable freshwater with around 61 cubic meter per capita in 2021 (absolute water scarcity is considered at 500 cubic meter). Climate change and overuse of water resources have further reduced groundwater and surface water resources, while population has grown at a very high rate, placing Jordan among the world's top five countries in population growth historically (more on water sensitivity is provided in the ESCMP)
49. Jordan's national food security is heavily reliant on imports, with 98% of its cereal requirements sourced externally, making it

vulnerable to international price fluctuations and supply instability. Rapid economic growth, urbanization, population increases, and successive waves of refugees have placed immense pressure on the country's energy resources especially water resources. Jordan imports 96% of its oil and gas, which accounts for nearly 20% of GDP, leaving it exposed to global energy market volatility. Political and social factors such as regional instability, strained infrastructure, pollution, land ownership disputes, and declining soil quality further heighten sensitivity to climate change. Limited access to technology and financial resources hampers effective adaptation, while education and nutrition levels, though relatively stable, are under strain from economic challenges. Collectively, these factors underscore Jordan's vulnerability to climate change and its impacts on society and resources.

50. **Adaptive capacity:** At the national level, Jordan has made significant strides in strengthening its coordination mechanisms for disaster preparedness, strategy implementation, and risk financing. The government established the National Center for Security and Crisis Management (NCSCM) in 2015, followed by the creation of the multi-stakeholder National Disaster Risk Reduction Platform under the NCSCM in 2017. Additionally, the Jordan National Natural Disaster Risk Reduction Strategy for 2019–2022 was developed. However, overall progress in disaster risk reduction remains limited, primarily due to insufficient focus on implementing key initiatives such as drought monitoring, disaster preparedness, mitigation measures, early warning systems, and disaster risk financing instruments.
51. In the agricultural sector, changes in land use patterns, such as the shift from rainfed to irrigated agriculture and the reduction in cultivated field crop areas, highlight Jordan's efforts to adapt to evolving climatic conditions by investing in irrigation techniques, wastewater recycling and adjusting farming systems. However, the impacts of climate change on agriculture are unevenly distributed. Rural poor communities and small-scale farmers in the desert area and high land are particularly vulnerable due to their heavy reliance on agro pastoralism and limited access to knowledge about climate-smart agricultural practices. This is exacerbated by a lack of adequate extension services or training programs that fail to reach these populations (figures shared by the MoA speaks about one extension service agent for 800 farmers). Many small-scale farmers also struggle to access the financial resources and credit necessary to invest in climate-resilient practices, such as drought-resistant crops, modern irrigation systems, water harvesting and renewable energy for agriculture. Limited focus and effort from national programme on landscape restoration including water and soil conservation has been made. In terms of rural infrastructure Jordan does deliver essential services to farmers and rural dwellers, but there are significant gaps in terms of maintenance, modernization, and equitable distribution with for example water municipal distribution systems sometimes failing to reach the most remote rural areas in the desert, impacting access to water.

3. Regulatory framework and institutional capacities

The Regulatory framework and institutional capacities are listed below

3.1 National policies and regulatory framework relevant to SECAP

52. Relevant institutions dealing with environment and natural resources:

- Ministry of Environment (MoE)
- Ministry of Agriculture (MoA)
- Ministry of Water and irrigation (MoWI)
- Jordanian Meteorological Department (JMD)
- Jordan Valley Authority (JVA)
- National Center for Research and Development (NCRD)
- The National agricultural center (NARC)
- Jordanian Standards and Metrology Organization (JSMO)
- National Center for Security and Crisis Management (NCSCM)
- The Jordanian National Commission of Women (JNCW)

53. Relevant strategies and policies

- **National Agricultural Strategy (2016-2025):** This strategy focuses on enhancing agricultural productivity and improving water use efficiency. It promotes sustainable agricultural practices, the adoption of climate-smart agriculture, and the development of water-saving irrigation techniques. The strategy is currently in the process of being extend by two years and related plan is being developed by the ministry of agriculture.
- **National Climate Change Policy (2022-2050):** The updated policy outlines Jordan's approach to mitigating and adapting to climate change over the next three decades. It prioritizes building resilience in agriculture, focusing on water management, efficient irrigation, and sustainable farming practices to cope with changing climate conditions.
- **National Climate Change Adaptation Plan (2021):** This plan focuses on the country's climate adaptation needs, including water management, agricultural practices, and biodiversity protection. It lays out the actions required to address vulnerabilities in agriculture, particularly in water-scarce regions, and to implement climate-resilient farming techniques.
- **Water for Agriculture Policy (2016):** The policy aims to improve agricultural water use efficiency, promote modern irrigation techniques, and ensure sustainable management of Jordan's water resources. It is crucial for addressing water scarcity issues affecting agricultural productivity in the country.
- **National Water Strategy (2023-2040):** This updated strategy provides a comprehensive framework for managing Jordan's water resources, with a focus on enhancing water use efficiency in agriculture, improving wastewater treatment, and ensuring

sustainable water supply for agricultural production.

- **Central Bank of Jordan's Green Finance Strategy (2023–2028).** It aims to integrate climate risks into financial decision-making, strengthen institutional capacity, and mobilize green investments. It focuses on supporting a resilient financial sector, promoting climate-responsive lending, and aligning with Jordan's national and international climate goals.
- **Jordan's Nationally Determined Contribution (NDC):** The NDC prioritizes emission reductions across key sectors: energy, transport, waste, and water management, with a focus on energy efficiency improvements, renewable energy deployment (particularly solar and wind), and the adoption of low-carbon technologies. The most recently updated was done in October 2021. In this submission, the country enhanced its climate commitments, setting a target to reduce greenhouse gas (GHG) emissions by 31% below the business-as-usual scenario by 2030. This target comprises an unconditional 5% reduction and an additional 26% reduction conditional on international support.
- **Jordan's National Desertification Action Plan (NDAP):** it outlines strategies to mitigate desertification by enhancing sustainable land management practices, promoting soil conservation, and restoring degraded ecosystems, particularly in the arid and semi-arid regions. Key actions include the implementation of afforestation and reforestation programs, soil erosion control, and the optimization of water resources for irrigation and land rehabilitation.
- **National Biodiversity Strategy and Action Plan (2015-2020):** This strategy aims to conserve biodiversity and ecosystems, with specific emphasis on sustainable agricultural practices that maintain soil health and prevent habitat degradation.
- **The National Disaster Risk Reduction Strategy (2019-2022):** Focuses on enhancing disaster preparedness for climate-related hazards such as droughts, floods, and extreme temperatures. The strategy aims to build resilience in agricultural and rural communities to mitigate climate-induced risks.
- **Green Growth National Action Plan (2021-2025):** This plan promotes sustainable economic growth with a focus on environmental protection. It supports climate-resilient agriculture, water conservation, and the transition to low-carbon farming practices, which are essential for improving sustainability in the horticulture value chain.
- **Green Finance Strategy (2023–2028),** launched by the Central Bank of Jordan (CBJ) in November 2023. This strategy aims to integrate climate and environmental considerations into the financial system, enhancing resilience and mobilizing green investments across the country
- **Youth and Women empowerment strategy in the water sector (2025-2028):** Jordan's strategy for empowering youth and women in the water sector aims to build leadership through education, innovation, and active participation in sustainable water management. It emphasizes skill development, involvement in community and policy-making processes, and integration with national strategies. Rooted in the 2023 National Dialogue on Water Harvesting, it aligns with Jordan's Economic Modernization Vision and National Water Strategy 2023–2040.
- **The National Strategy for Women in Jordan (2020-2025):** The strategy promotes women's rights and empowerment. The strategic priorities have been set in alignment with the Jordanian Constitution, national plans and sectoral strategies such as the Jordan 2025 (A National Vision and Strategy), and on the footsteps of the Renaissance Plan: Government priorities for 2019-2020, the Comprehensive 8 Sectoral Policy for Promoting Gender Equality and Women's Empowerment 2020-2022. The logical framework for the strategy has been linked to national plans and strategies related to women, as well as international obligations and commitments, particularly the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Beijing Platform for Action (BPfA), the Sustainable Development Goals (SDGs) Agenda 2030.
- **The National Youth Strategy (2019-2025).** The strategy recognizes the vital role that the youth play in building a prosperous country and address the multiple cultural, social, political and economic obstacles faced by the youth in the country, with a special focus on the high rates of unemployment and underemployment. Close attention is paid to human rights and the civil and political rights of young people, women, persons with disabilities and of all social strata,

54. The following laws and regulatory framework are also particularly relevant for the implementation of the programme activities. Details on these laws are included in the programme's ESCMP:

- Environmental Protection Law No. 6 of 2017
- Bylaw No. 69 of 2020 on Environmental Classification and Licensing
- Bylaw No. 79 of 2019 on Climate Change
- Water Authority Law No. 18 of 1988
- Jordan Valley Authority Law No. 30 of 2001
- Groundwater By-Law No. 85 of 2002
- Waste Management Framework Law No. 16 of 2020
- Regulation No. 68 of 2020 on Hazardous Materials and Waste Management
- Instructions for Registration, Manufacture, Processing, Importation, Trade, and Circulation of Pesticides No. G/7 of 2021
- Agricultural Workers Regulation No. 19 of 2021
- Renewable Energy and Energy Efficiency Law No. 13 of 2012
- Agriculture Law No. 13 of 2015
- Law No. 24 of 2000 for the Protection of New Plant Varieties
- Instructions for Registration Conditions and Procedures of Vegetable Seeds (June 2022)
- Food and Agricultural Import Regulations and Standards (FAIRS) Report
- National Water Strategy 2023–2040
- Jordan Valley Development Law (as amended by Law No. 30 of 2001)
- Construction Contractors Law No. 13 of 1987 (amended by Law No. 4 of 2014)
- Land Use Regulation Law
- Instructions and Circulars Issued by the CBJ
- Anti-Money Laundering and Counter-Terrorist Financing Law No. 46 of 2007 (amended by Law No. 27 of 2021)
- Central Bank Law No. 23 of 1971 (and amendments)

3.2 National capacities, challenges and lessons with respect to SECAP implementation and compliance

55. The ongoing REGEP programme's performance in implementing SECAP requirements has been rated as moderately

satisfactory during the supervision mission of October 2024.. However, JEDCO, which is also expected to serve as the implementing agency for the new programme, along with its partners, has demonstrated a clear commitment to addressing social and environmental considerations. During the last reporting period, the programme's Environmental and Social Management Plan (ESCMP) was developed but its implementation remained limited. The Grievance Redress Mechanism (GRM) has only been partially utilized.

56. JEDCO has responded to supervision mission recommendations by improving the integration of programme components and actively promoting sustainable agricultural practices across all components. Past evaluations by IFAD indicate that while the ESCMP and GRM have primarily functioned as general frameworks rather than practical tools, JEDCO's commitment to environmental and social issues is evident. Enhanced coordination between JEDCO and its partners, such as NARC, is expected to support more consistent application of these instruments. The new programme will need to comply with SECAP 2021 guidelines, necessitating capacity-building training sessions for JEDCO staff and relevant partners to enhance their ability to implement and monitor the full fledged standalone ESCMP effectively.

4. Environmental and social category

57. Considering the potential adverse negative impacts, REGEP Up is classified as **moderate** for environmental and social risks based on IFAD's SECAP screening tool. The activities included under component 1, will support water efficient and sustainable production practices to reduce the selected agricultural value chain impact on scarce water resources. It will also support women and youth livelihoods by improving small businesses market potential. The programme risks on the environment are site specific and are related to increase in water use, energy and agrochemicals from access to new assets through grants. To mitigate these risks the programme will put strong emphasis on providing capacity building on climate resilient practices and coaching along with the provision of assets. Loans provided under the rural finance component will be subject to Environmental and social risk screenings to ensure financing exclude any activities that are likely to have significant, sensitive, diverse, or unprecedented impacts on the environment and/or affected people. Technical assistance will be provided to enhance the ACC and CBJ environmental and social management system along with their agreed ESAPs. The programme will target smallholders and rural entrepreneurs with particular focus on women and youth and Syrian refugees and in line with the international agenda of Leaving No One Behind (LNOB).

5. Climate risk category

58. Using IFAD's standardized methodology for climate risk screening, where hazards, exposure, sensitivity, and adaptive capacity were assessed at the national level, the climate risk on the programme is assessed as **moderate**. The programme will be implemented in all 12 governorates, which can have varying exposure levels to hazards and climate variability. However, the trends indicate that the country will face increased water scarcity and drought, river floods, greater variability and decreases in precipitation, and increases in temperature accompanied by more frequent heat waves. These hazards will expose the agricultural sector to significant risks, including reduced crop yields, heightened water stress, increased soil degradation, and challenges in maintaining productivity due to extreme weather conditions. Furthermore, they may exacerbate the vulnerability of rural communities reliant on rainfed agriculture, intensify competition over limited water resources, and increase the cost of irrigation, threatening both food security and livelihoods. The proposed interventions under the REGEP UP will contribute to increasing the adaptive capacity of targeted rural population through livelihood diversification; enhanced access to markets; micro-enterprises development and access to finance directed to support adaptation to water scarcity.

6. Recommendations for project design and implementation

- To mitigate the identified environmental, social and climate impacts, key recommendations are provided below. Details on the mitigation measures for all identified risks are included in the programme's ESCMP.
- From an environmental and climate perspective, the programme shall prioritize market crops with lower water footprints and adapted to the agroecological zones in which selected targeted clusters will be.
- Value chains selection for those relying on irrigated crops, shall have an economic return per cubic meter of water used to steadily reach at least JD 1.1/m³ against JD 0.51/m³ currently. The monitoring and computing of water uses, value and economic return at all levels of the value chain, shall be promoted by the programme.
- To increase the economic value of water in irrigated agriculture, REGEP UP supported grants and loan must focus on improving both water efficiency and crop profitability. This includes supporting the modernizing of the irrigation systems, rainwater harvesting and water recycling infrastructures and supporting production toward high-value and drought resistant horticultural crops—especially through greenhouse and hydroponics farming, improving post-harvest infrastructure, to reduce losses and increase the market value of water-intensive crops.
- In the highland and wadi desert, trainings in crops production shall teste, monitor and promote soil and water conservation techniques including soil water retention, and soil enrichment and other soil protection measures. These practices help maintain soil fertility, reduce runoff, and optimize the use of limited water resources, especially when rain fed crops are selected. For irrigated agriculture, capacity building shall be enhanced to integrate crop economics, and water budgeting in addition to climate smart irrigation technologies.
- The programme shall procure directly pesticides or fertilizer only as part of the production demonstration plots but these will be

used to demonstrate proper dosage and support to MRL testing. Pesticides will be excluded from the items to be purchased through grants. Organic fertilizers use as well as integrated pest management will be demonstrated. Soil and water analysis practices shall be encouraged while loans and grants windows shall allow the purchasing of Low-Cost and more advance Monitoring tools according to beneficiaries' profile type.

- Business development trainings shall raise awareness of the environmental issues and potential climate risks associate to push towards climate-smart enterprises that are resilient to the increasing Hazard, especially water scarcity and climate variability. The business mentoring should favour and build capacities of the beneficiaries on the development of business plans that can respond to environmental challenges and exposure level to climate change, and support green jobs and enterprises.
- Grants and loans to be distributed should exclude any programmes that (i) use non renewable or not licensed groundwater or involve the development of new wells or boreholes for groundwater extraction (ii) target crops with high water demand, (iii) require the clearing of natural habitat, (iv) work in or near the vicinity of a protected area. Detailed exclusion lists are presented in appendices to the ESCMP The selection criteria should favour (i) crops and products with highest ratio of value to consumed water; (ii) crops and products that use non-traditional irrigation water sources such as treated wastewater, grey water and harvested water (iii) technologies to decrease water consumption (iv) renewable energy,
- As part of efforts to strengthen environmental and social risk management, both ACC and CBJ will be required to establish formal procedures for environmental and social screening within the framework of their Environmental and Social Management Systems. The Environmental and Social Action Plans for ACC and CBJ, presented in the appendix, outline the specific steps each intermediary must take to bring their ESMS in line with expected standards.
- With regard to mainstreaming themes, the programme should design detailed targeting, social inclusion strategies and pro poor approaches to effectively reach and benefit women, youth, and the poorest echelons of rural societies including refugees.
- Transforming household kitchen in clean and safe working environments and building home-based micro-enterprises is a successful approach to address women's economic disempowerment and mobility constraints. Under REGEF, women accounted for more than 60% of beneficiaries, highlighting the programme's main focus on gender inclusion. Women in grant-supported businesses have strengthened their agency and enhanced their social standing in their communities and broader rural economies. However, based on the findings of the programme's impact assessment, JRF recommends expanding gender-focused entrepreneurship models, including better tailored training, mentorship, incubation and BDS acceleration to further strengthen women's leadership and entrepreneurial capacities.
- While REGEF has been successful in implementing its targeting strategy, greater efforts should be made to deepen the programme's poverty outreach and improve youth targeting. A key lesson emerging from the programme's implementation is that robust, pro-poor and youth-focused eligibility criteria are needed to ensure that the poor and the youth population will effectively be reached and benefit. Thorough socio-economic analysis and target group profiling should be conducted prior to setting targets at governorate level to ensure proper implementation of eligibility and targeting criteria. Collaboration with NAF would be important for accurate identification and targeting of the poor.
- Staff from JEDCO remarked the need for more systematic integration of norm-change messages and processes in programme-supported activities. It is important that the programme develops and integrates interventions to tackle discriminatory social norms that hinder women's access to employment opportunities outside of the domestic spheres and limit their capacity to access and control income and decision-making within the households. This can be done for example through the implementation of social norm dialogue sessions and male engagement strategies.
- Issues related to discrimination (gender, age, disability, etc..) in the labour market, unsafe labour conditions and the gender pay gap should also be addressed through training and awareness raising with relevant stakeholders and partners. Adherence to national labour laws and OHS standards should be a non-negotiable condition for medium scale producers and processors to become programme's partners.
- A strategy for preventing and responding to GBV, especially domestic violence should be developed, including the dissemination of a reporting system, community awareness raising and methodologies and positive male engagement interventions.
- With regard to the youth, the programme should promote decent and green employment and self-employment opportunities for female and male youth, through vocational training, green skills development, and technical support. promote youth access to financial and non-financial services, access to information, technology and digitalisation, and building youth agency to positively participate in their communities.
- REGEF-UP should be nutrition-sensitive and mainstream nutrition-focused interventions in food system transformation and value-chain development. Nutrition education and SBC approaches should also be integrated in training activities to tackle unhealthy food habits and behaviours and promote access to more balanced and healthy diet. Promoting women's economic empowerment will also be key to enhancing accessibility to healthy food and diets.

7. Further studies needed

59. As a moderate risk programme both for climate risks and environmental and social risk, an Environmental, Social and Climate Management Plan (ESCMP) has been developed and is available in annex 5.1. The ESCMP includes draft Environmental and Social Action Plans (ESAP) for the financial intermediaries and integrates a literature review of climate assessments in the climate change impacts section. A Grievance Redress Mechanism (GRM) at the programme level and Stakeholder Engagement Plan (SEP) have also been developed and are annexed to the SRN.

8. Monitoring and evaluation

60. The Programme will have to monitor indicators included in the ESCMP related to environmental and social risks and the implementation of mitigation measures. To measure programme benefits specific indicators focused on social aspects, environment, natural resources management and climate change adaptation are included the logical framework of the programme.
61. The update, monitoring and reporting of the ESCMP shall be carried out by the value chain and rural finance experts in JEDCO. SECAP compliance will be reported on annually through supervision missions to verify and monitor the programme risks and the implementation of the mitigation measures.

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10. SECAP Matrix

Environmental, social and climate Impacts	Recommended mitigation/ Enhancement measures	Public consultation activities	Means Verification	Verification frequency	Institution responsible for implementation	Necessary means / Estimated cost
Safeguard consultancy	Included in the programme cost budget for SECAP consultant to support JEDCO in the implementation of the recommended measure and report		Procurement		JEDCO Coordinators	50 000, 10 000 per year

Conversion and degradation of biodiversity and ecosystem Due to horticulture activities and infrastructures installation and agricultural activities	Consider areas for any infrastructures to be constructed or rehabilitated (e.g. greenhouse, water harvesting) which were already used for agricultural purposed or cleared prior programme. Include specific clause in grants and loans agreement with beneficiaries' and include mention in REGEF exclusion list Include in training programme for production aspect related to soil testing, crop rotation, soil and water conservation, Integrated Pest management. See below for actions regarding soil and water pollution and use of agrochemicals	Training through capacity building programme, diffusion of REGEF UP and IFAD exclusion list, call for proposal for grants	Grants and loans application during selection process SECAP checklist for construction work (see proposed version in appendix) Training attendance and adoption rate	During grant application process Annual reporting	Partners Selected implementing, Banks	Cost mainstreamed under component 1
Protected habitats. Cluster selections	Programme geographical targeting to exclude interventions to take place in the proximity of protected areas or in protected areas	Diffusion of IFAD and REGEF exclusion list	Targeting strategy Loans applications	Start up, and continuous	Banks and Implementing partners	No cost
Consumption of row material	add a clause to existing procurement and public call documents requiring traceability of sand and gravel extraction sites with adequate authorisation; the PMU and selected implementing partner should enquire about safeguards and mitigation measures put in place by the suppliers, use the SECAP check list during supervision of grants involving raw material and construction.	Call for proposal	Procurement	Continuous	PMU procurement	No cost

Procurement of natural resource materials Construction infrastructures may lead to use of material compose of natural resources	Provide list of suppliers adhering to environmental certifications such as ISO 14025. For cement, request beneficiaries to favor suppliers employing the energy-efficient dry kiln process over the more energy-intensive wet kiln process. For loans above 100 000 USD, When feasible, Banks will consider based on the type of activities to be financed requesting the borrower to give preference to buying from a member of the United Nations Global Compact.	Loans and grants application procedure	Grantees technical support for design after grants approval Loans selection process		Procurement officer with support of environmental expert if needed Banks	No cost
Release of pollutant to the environment Increased water and soil pollution from agriculture runoff and processing waste as a result of an increase in activity following investments	Apply exclusion list which include excluded products to be financed by loans and grants Grant selection will review programme potential impact on the environment through selection criteria and proposal review Loans to be submitted to Environment and social safeguard screening and categorization by selected banks. Promotion of soil and water conservation practices including waste management in the curricula for production capacity building Apply SECAP checklist during grants infrastructures constructions Awareness sessions on plastic pollution and collection solutions Prioritize support to processor and rural enterprise that provide eco benefit and promote circular economy including waste recycle See section below on use of agrochemicals	Diffusion of IFAD and REGEF exclusion list	Processing and production Training attendant list SECAP checklist for construction work (see proposed version in appendix) Grant selection form Loans risks screening	Continuous	Implementing partners for component 1 Banks for component 2	Cost mainstreamed under component 1 and 2

External source of pollutant Location of programme in polluted area	Once cluster identified, External pollution to be carefully assessed site by site as well as existing affordable technologies to mitigate pollution impact	Pollution diagnostic shared during capacity building session	Assessment of the areas and proximity to industry, mining or other potential sources of pollutant	Baseline	JEDCO component 1 manager with the support of External consultant to provide	Use SECAP consultant budget
Rehabilitation of irrigation schemes with diversion, contamination of surface or ground water Provision of water harvesting infrastructures and irrigation technologies can increase water consumption if no efficient use of natural management is implemented by beneficiaries	Select low consumption or high-water productive crops Water Technologies and infrastructures promoted under the grant window will exclusively be for purchasing water efficient technologies or for rainwater harvesting infrastructures with the overall objective to reduce water use consumption and increase water productivity Capacity building for production will focus on the promotion of water conservation practices and water use efficiency REGEP exclusion list include any activities using non-renewable ground water resources (fossil reserve including Disi Aquifer (Ram Aquifer), Amman-Wadi Sir Aquifer, Kurnub Sandstone Aquifer) and Any activities using underground water from illegal or not licensed well Grant selection process will evaluate proposal based on water infrastructure capacity, refill potential from rain and field size and efficient crops selection and improved water need/consumption/cost/productive monitoring. Environmental risk screening process for Loans proposal includes review impact of investment on water resources Specific technical assistance will be recruited to support programme monitor and assess water use, consumption and saved through the grants.	Training sessions Exclusion lists Loans and grants focus and selection procedure available to beneficiaries	Production training attendance list Selection criteria for grants application Loans Environmental screening review Water consumption and productivity monitoring tool	Continuous	Selected implementing partners with JEDCO support Banks	Cost mainstreamed under component 1 and 2

Production of living natural resources Support to the horticulture value chain through cultivation of annual and perennial crops	Same as mentioned above, programme will provide capacity building in climate resilient agricultural practices and include the promotion of local varieties	Training sessions	Training attendance Training curriculum	Continuous	Selected implementing partner for production capacity building	Cost mainstreamed under component 1 and 2
Involvement of agrochemicals including pesticide and fertilizer for the horticulture production	No procurement of agrochemicals under grants windows Encourage soil analysis to determine baseline conditions and specific needs Capacity building activities and demo plots focus on practices for better soil and water conservation including the use of organic and self-produced fertilizer, compost, integrated pest management, improved water treatment and soil cover techniques. For training and demonstration purposes, replace commonly used pesticides such as Carbendazim and Coragen with alternatives listed in the low-risk, non-HHP category (see appendix 1) Support maximum level residue testing and when relevant certification obtention support Exclusion list applying to the loan's proposal	Training sessions Exclusion lists Loans and grants focus and selection procedure available to beneficiaries	Soil testing and fertility monitoring Productivity and economical return monitoring to measure benefice of application of organic and agroecological practices Training attendance Selection criteria for grants application Loans Environmental screening review	Continuous	Selected implementing partner and environmental consultant for support on assessment tools development and monitoring	Cost mainstreamed under component 1 and 2

Financial intermediaries Selected Banks with limited environment and social policy, procedure Loans used in activities that do not adhere to SECAP principles	PMU to finalise the ESAPs in consultation with ACC and CBJ. ACC and CBJ to implement ESAP (appendix 3) PFIs to elaborate and/or enhance and apply environmental and social due diligence to loans selection procedure with differential review approach according to type, amount, and scope of loans Exclusion list for programmes to be systematically applied by financials partners financed through the loans.	During agreements preparation between JEDCO and ACC and JEDCO and CBJ	Exclusion lists ESAP	Baseline continuous	PMU component 2 manager, SECAP consultants, ACC and CBJ	Budget mainstreamed in sub component 2.2
Climate risks Increased vulnerability to climate change impacts (rising temperatures, drought, water scarcity, flood, change and decrease of rain fall patterns and increase in frequent extreme weather events)	Most of the recommendations are included in the environmental risks section: - Grants application to be evaluated against climate identified risk - Diffusion of adaptation practices through production training - Investment in water harvesting, water saving irrigation technologies, protected agriculture (greenhouse) and solar energy infrastructure - Sensitization and participatory analysis of the effects of climate variability and hazard on productive activities and other livelihoods of households - Improved income diversification through processing activities Support micro entrepreneurs in businesses increasing food security and requiring minimal land and water resources	Training sessions, need assessments	Monitoring and documentation with farmers of socioeconomic adaptation measure benefits of the application of the promoted practices and received assets to strengthen the evidence base and learning for further scaling up.	Baseline, midline, endline for outcome results Plus, continuous monitoring of the benefits of grants and promoted practices	Selected implementing partners	Mainstreamed in programme budget
Social risks						

Unsafe and hazardous labour conditions in agriculture and rural enterprises.	The programme will sensitize rural producers and entrepreneurs on the importance that they comply with national legislation on labor conditions and OSH standards when hiring workers. This will be considered as a condition to access programme's support, including loans under component 2. Risk of child labor in agriculture will be mitigated through the implementation of dedicated awareness-raising activities on the impact of labour on children and on the provisions of the law during training activities. REGEP UP will also replicate the experience of REGEP, which has promoted a safe work environment in home-based micro-enterprises, mostly dominated by women. This included the provision of training and financial resources to ensure a clean, hygienic and safe working environment.	Training sessions producers and processors	Training and supervision reports. Training modules.	Continuous	PMU focal persons and implementing partners.	Embedded in budget for component 1.
GBV, including intimate partner violence and sexual harassment.	Social norms dialogue sessions and male engagement strategies will be implemented to address negative norms and harmful practices affecting and disempowering women and girls. Producers and entrepreneurs will be sensitized on risk of sexual harassment of women workers and measures to prevent it. Awareness raising on GBV will be carried by REGEP-UP implementing partners.	Training sessions GBV reporting mechanisms implemented by service providers	Programme's training and supervision reports. Training modules on gender and GBV.	Continuous	PMU gender focal point and implementing partners.	Embedded in budget for sub-component 1.1.
Exposure to agro-chemicals (including water pollution)	This risk will be mitigated through the delivery of training and sensitization on the negative health impact of pesticides. This will be embedded in the training curriculum for climate resilient agriculture, which is a core component of the programme.	Training sessions	Training curriculum. Training and supervision reports.	Continuous	PMU focal point and implementing partners.	Embedded in budget for sub-component 1.1.

Environmental and Social Safeguards Classification: Moderate

Environmental and Social Safeguards				
Biodiversity conservation	Yes/No	Likelihood	Consequence	Risk Rating
1.1 Could the project involve or lead to conversion or degradation of biodiversity, habitats (including modified habitat, natural habitat and critical natural habitat) and/or ecosystems and ecosystem services?	Yes	Possible	Minor Project will have minor adverse impact on habitats. Impacts are temporary and confined to a small area of low ecological sensitivity or value.	Low
1.2 Could the project involve or lead to activities negatively impacting habitats that are legally protected, officially proposed for protection, or recognized as protected by traditional local communities and/or authoritative sources (e.g. National Park, Nature Conservancy, Indigenous Community Conserved Area, (ICCA), etc.)?	Yes	Unlikely	Minor Project is close to a protected area, and associated facilities may have minor indirect negative impacts.	Low
1.3 Could the project involve or lead to an increase in the chance of human-wildlife encounters/conflict?	No			Low
1.4 Could the project involve or lead to risks to endangered species (e.g. reduction, encroachment on habitat)?	No			Low
1.5 Could the project involve or lead to negative impacts/risks to migratory wildlife?	No			Low
1.6 Could the project involve or lead to introduction or utilization of any invasive alien species of flora and fauna, whether accidental or intentional?	No			Low
1.7 Could the project involve or lead to the handling or utilization of genetically modified organisms?	No			Low
1.8 Will the project involve or lead to procurement through primary suppliers of natural resource materials (wood, gravel, sand, etc.)?	Yes		Moderate Project will require procurement of natural resources through primary suppliers, and resource extraction is tightly regulated.	Moderate
Resource Efficiency and Pollution Prevention	Yes/No	Likelihood	Consequence	Risk Rating

Environmental and Social Safeguards				
2.1 Could the project involve or lead to the release of pollutants to the environment (on and off farm) due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	Yes	Possible	Moderate Pollutants may be released, either routinely or by accident, but treatment systems are proven, verified and affordable. Receiving environment is highly sensitive.	Moderate
2.2 Could the project be located in an area which is being, or has been, polluted by an external source (e.g. a mine, smelter, industry)?	Yes	Possible	Moderate The project may be located in an area of previous pollution, but only partial decontamination has been undertaken. Impacts from previous pollution can be managed with existing affordable technology.	Moderate
2.3 Will the project involve or lead to significant consumption of raw materials and energy?	No			Low
2.4 Will the project develop or rehabilitate irrigation schemes and/or involve or lead to significant extraction, diversion or containment of surface or ground water? (For example, construction of dams, reservoirs, river basin developments, groundwater extraction)	Yes		Moderate The project will need a considerable amount of groundwater or surface water. This will require a minor extension of existing sources. This will include development or rehabilitation of small-scale irrigation schemes below 300 ha per scheme.	Moderate

Environmental and Social Safeguards				
2.5 Will the project involve the use of agrochemicals (pesticides, fertilizers, and other modifying agents) which have potential to pollute soils and water bodies or cause other negative impacts?	Yes		Moderate The project will require use of fertilizers, pesticides and/or other modifying agents, but options are available to replace polluting fertilizers and/or pesticides with alternatives. The adaptive capacity of the environment is high, which should ameliorate most potential pollution problems.	Moderate
2.6 Will the project involve or lead to primary production of living natural resources through cultivation or rearing of plants, annual and perennial crop farming, etc.?	Yes		Moderate Project will be fully dependent on production of living natural resources. Project will be sited in an existing agricultural area, with low environmental and/or social sensitivity.	Moderate
2.7 Will the project involve or lead to engagement in areas of forestry, including the harvesting of natural forests, plantation development, and/or reforestation?	No			Low
2.8 Will the project involve livestock and production of animal products (dairy, skins, meat, etc.)?	Yes		Minor The project will involve small scale livestock with no extensive or intensive systems (nomadic or transhumant systems).	Low
2.9 Will the project involve marine or freshwater fisheries, at industrial or artisanal scale?	No			Low
2.10 Will the project involve inland or marine aquaculture?	No			Low
Cultural Heritage	Yes/No	Likelihood	Consequence	Risk Rating

Environmental and Social Safeguards				
3.1 Could the project involve or lead to adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No			Low
3.2 Could the project involve or lead to excavations, demolitions, movement of earth, flooding or other environmental changes in an area that is considered to have archaeological (prehistoric), paleontological, historical, cultural, artistic, and religious values or intangible forms of culture (e.g. knowledge, innovations, practices) or contains features considered as critical cultural heritage? (See Annex 1 of the Cultural Heritage Guidance Note for further information)	No			Low
3.3 Could the project involve or lead to alterations to landscapes and natural features with cultural significance?	No			Low
3.4 Could the project involve or lead to utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?	Yes	Unlikely	Minor The project could be located in an area that is considered to be of cultural heritage value, but the project does not use tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial purpose.	Low
Indigenous peoples	Yes/No	Likelihood	Consequence	Risk Rating
4.1. Is the project sited in areas where indigenous Peoples are present? (Indigenous peoples' traditionally owned or otherwise occupied and used lands, territories, waters and coastal seas and other resources).	No			Low
4.2 Could the project adversely affect indigenous people's rights to traditionally owned or otherwise occupied and used lands, territories, waters, coastal seas and other resources and/or livelihood systems?	No			Low
4.3 Could the project result in the utilization and/or commercial development of natural resources on lands and territories inhabited by indigenous peoples?	No			Low
Labour and Working Conditions	Yes/No	Likelihood	Consequence	Risk Rating

Environmental and Social Safeguards				
5.1 Could the project operate in sectors or value chains where there have been reports of discriminatory practices and the lack of equal opportunity (for disadvantaged and vulnerable workers, including women, children of working age, migrants and persons with disabilities), denial of freedom of association and collective bargaining, labour migrants?	Yes	Possible	Moderate The project will operate in sectors or value chains that have, in the past, not met national labour laws, or international commitments, but is now adequately nationally regulated. International value chains are occasionally audited for environmental or social performance.	Moderate
5.2 Could the project operate in a value chain where there have been reports of forced labour? Note: Risks of forced labour may be increased for projects located in remote places or where the status of migrant workers is uncertain.	No			Low
5.3 Could the project involve children (a) below the nationally-defined minimum employment age (usually 15 years old) or (b) above the nationally-defined minimum employment age but below the age of 18 in supported activities or in value chains?	Yes	Possible	Moderate The project will operate in sectors or value chains where child labour was evident in the past. However, child labour is now regulated and is illegal under national law.	Moderate
5.4 Could the project: (a) operate in a sector, area or value chain where producers and other agricultural workers are typically exposed to significant occupational and safety risks, and/or (b) promote or use technologies or practices that pose occupational safety and health (OSH) risks for farmers, other rural workers or rural populations in general? (Note: "OSH risks in agriculture might include: dangerous machinery and tools; hazardous chemicals; toxic or allergenic agents; carcinogenic substances or agents; parasitic diseases; transmissible animal diseases; confined spaces; ergonomic hazards; extreme temperatures; and contact with dangerous and poisonous animals, reptiles and insects. Psychosocial hazards might include violence and harassment.")	Yes	Possible	Moderate The project will operate in a sector, area, or value chain where workers are occasionally exposed to OSH risks, and where regulation is known to be weak or non-existent. However, there is no evidence of illness or death.	Moderate
Community Health, Safety and Security	Yes/No	Likelihood	Consequence	Risk Rating

Environmental and Social Safeguards				
6.1 Could the project lead to and or be at risk from water-borne, zoonotic or vector-borne diseases (e.g. temporary breeding habitats), and/or communicable and non-communicable diseases?	No			Low
6.2 Could the project have unintended negative impacts on nutrition?	No			Low
6.3 Will the project involve the construction or rehabilitation of dams?	No			Low
6.4 Could the project involve or lead to transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No			Low
6.5 Could the project lead to the potential for gender-based violence, including sexual harassment, exploitation and abuse, as a result of labour influx, land redistribution, or other actions that alter community dynamics?	Yes	Possible	Moderate The project may lead to moderate changes to community dynamics may result in increased potential for gender-based violence or sexual exploitation. Gender-based violence protocols in place.	Moderate
6.6 Will the project construct, rehabilitate or upgrade rural roads and/or lead to increases in traffic or alteration in traffic flow?	No			Low
6.7 Could the project lead to an influx of project workers?	No			Low
6.8 Could the project involve or lead to the engagement of security personnel to protect facilities and property or to support project activities?	No			Low
Physical and economic resettlement	Yes/No	Likelihood	Consequence	Risk Rating
7.1 Will the project result in temporary or permanent and full or partial physical displacement (including people without legally recognizable claims to land)?	No			Low
7.2 Will the project result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No			Low
7.3 Could the project increase the risk of forced evictions? (The project cannot proceed unless forced evictions are avoided)	No			Low
7.4 Could the project result in adverse impacts on or changes to land tenure arrangements and/or community-based property rights/customary rights to land, territories and/or resources?	No			Low
Financial intermediaries and direct investments	Yes/No	Likelihood	Consequence	Risk Rating

Environmental and Social Safeguards				
8.1 Could the investment be granted to an institution that does not have an environmental and social policy and an associated environmental and social management system (ESMS) in place (transparent, publicly available)?	Yes	Very Likely/Certain	Moderate The institution does not have an ESMS in place, but several individual E&S policies. The policies are therefore not considered as transparent. The reporting on E&S is available upon request.	Moderate
8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS?	Yes	Very Likely/Certain	Moderate The institution does not employ an ES Officer, but has sufficiently trained field staff available to monitor the impact of the operations of the institution.	Moderate
8.3 Could the investment be granted to an institution that does not have an Exclusion List?	Yes	Very Likely/Certain	Moderate The institution has an Exclusion List that deviates somewhat from IFAD standards.	Moderate
8.4 According to the institution's portfolio classification: Could the institution have potential high-risk projects in their portfolio?	Yes	Likely	Minor The institution has a portfolio classification available and an insignificant portion of funds are invested in high-risk projects.	Moderate
8.5 Could the institution not be providing a stable communication channel with stakeholders and local communities (e.g. a Grievance Redress Mechanism)?	No			Low

Environmental and Social Safeguards				
8.6 Could the institution not be providing auxiliary or capacity building support services?	Yes	Possible	Moderate The institution offers basic services for customers (directly or through third-party providers) to improve business and livelihood opportunities.	Moderate

Climate Risk Classification: Moderate

Step 1: Hazard identification	
What are the expected hazards in the project intervention area?	No, Yes, TBD
1.1 River flood	Yes
1.2 Coastal Flood	No
1.3 Urban Flood	No
1.4 Landslide	Yes
1.5 Cyclone	No
1.6 Water Scarcity (agricultural droughts and/or dry spells)	Yes
1.7 Extreme Heat	Yes
1.8 Wildfires	Yes
Future climate scenarios foreseen (period 2040-2059) - Change in frequency and intensity	No, Yes, TBD
1.9 Change in temperature (increase or decrease)	Yes
1.10 Change in rainfall (increase or decrease)	Yes
1.11 Climate variability	Yes
1.12 Intensity and frequency of extreme events	Yes
Is the project expected to have an impact on climate change (i.e. contribute to greenhouse gas emissions)?	No, Yes, TBD
1.13 Is the project expected to be a significant emitter of greenhouse gas emissions?	No
Step 2: Exposure Assessment	
Is the project located in exposed areas to weather-related natural hazards?	No, Yes, TBD
2.1 Low-lying areas (valleys, coastal zones, and small islands)	Yes
2.2 Very warm areas (subtropical)	No
2.3 Tropical areas (rainforests)	No
2.4 Arid and semi-arid areas (deserts)	Yes
2.5 Mountains zones and permafrost areas (tundra)	No
2.6 River banks	Yes
Does the project target agricultural systems, ecosystems or livelihoods exposed to weather-related hazards?	No, Yes, TBD
2.7 Is crop production frequently affected by rainfall variability, prolonged droughts, changes in temperature or pests and diseases?	Yes
2.8 Is livestock productivity frequently affected by rainfall variability, prolonged droughts, changes in temperature or diseases?	Yes
2.9 Are fisheries frequently affected by ocean acidification, water salinity and changes in sea surface temperature due to ocean-atmospheric oscillations or climate change?	N/A
2.10 Is forest productivity frequently affected by wildfires, diseases, rainfall variability, prolonged droughts, or changes in temperature?	N/A
2.11 Is the biodiversity in the project area likely to be affected by changes in climate variables?	Yes
2.12 Is any stage of the agricultural value chain (production, storage, processing and marketing) exposed to climate related hazards?	Yes
2.13 Is any rural infrastructure likely to be affected by flooding, landslides, changes in temperatures, and extreme winds.	Yes
Step 3: Sensitivity Assessment	
What are key sensitivities for the populations in the project's areas of intervention?	No, Yes, TBD
3.1 Is conflict exacerbating the population's sensitivity to weather related hazards?	No

3.2 Is population displacement being exacerbated by climate change impacts?	No
3.3 Are diseases (e.g. COVID-19, malaria, cholera) increasing the population's vulnerability and affecting their capacity to address potential weather-related hazards?	No
3.4 Are social inequalities (e.g. based on gender, youth, indigenous persons and other marginalized groups) being exacerbated by climate change?	No
3.5 Human Development Index (HDI)	No
3.6 Multidimensional Poverty Index (MPI)	No
Step 4: Adaptive capacity	
What are key adaptive capacities in the areas of project intervention?	No, Yes, TBD
4.1 Is the country well ranked in the Disaster risk reduction progress score?	No
4.2 Are climate and weather information services (real-time weather data, seasonal forecasts etc.) effectively being delivered (through radio, TV, SMS, extension services etc.) to farmers, rural dwellers, and end users?	No
4.3 Does the project country have an early action plan (preparedness and emergency response) to mitigate the impacts of weather-related hazards once the shock occurs?	Yes
4.4 Does the government or other institutions support the target population/communities with the necessary social and economic resources to prepare for or respond to climate-related events?	No
4.5 Is the target community carrying out (using their own means) agricultural adaptation?	Yes
4.6 Does the target population have the economic means or support to adjust or adapt their activities in response to weather related shocks?	No
4.7 Do policies/mechanisms exist that make financial credit, loans, and agricultural insurance available?	Yes
4.8 Are rural infrastructures effectively delivering services to farmers and rural dwellers?	Yes

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Environmental, Social and Climate Management Plan (ESCMP)

Mission Dates: 26/04 to 16/05/2025

Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
Programme Management Department

Annex 5.1 Environmental, Social and Climate Management Plan (ESCMP)

Introduction

IFAD places strong emphasis on the preparation and proper implementation of Environmental, Social and Climate Management Plans (ESCMP). SECAP thus requires the preparation of a standalone ESCMP as the main output of the environmental and social assessment/analysis for moderate risk programmes.

The ESCMP sets out the principles, rules, guidelines and procedures to assess all potential environmental and social risks and impacts of the programme. It recommends mitigation and avoidance mechanisms, including institutional capacities and monitoring arrangements. It is designed to be flexible and applicable to the programme activities throughout the implementation period.

This ESCMP was developed in 2025 following a design mission in the country that involved field visits and consultations with stakeholders. Using the SECAP screening tool, the risk categories of the programme were confirmed as moderate both for Environmental and Social Risks and Climate Risks.

Programme description

The Rural economic Growth and Employment Programme UP (REGEP UP) programme aims to upscale the IFAD co funded programme REGEP UP which is to complete by September 2025. The main objective of the REGEP UP is to increase rural poor's productive capacity, incomes and generate employment opportunities for the poor through sustainable natural resource management practices and MSMEs development. The programme will have a national scope, targeting *all* country 12 governorates. The programme has seven subcomponents as follow:

- Sub-component 1.1 -Microentrepreneurs production and processing
- Sub-component 1.2 - Value chain and SME development
- Sub-component 2.1 - Improved access to finance for MSMEs
- Sub-component 2.2 - Strengthened technical capacity of PFIs
- Sub-component 2.3 - Improved financial literacy among rural residents
- Sub-component 3.1 - Policy Engagement
- Sub-component 3.2 - Programme management

Main activities include:

- Capacity building in climate resilient production and business development for farmers, processors and rural service providers through agricultural trainings, mentoring and incubation,
- Grants Investment in climate resilient infrastructures which provides adaptation and environmental ambitions and economic upside to rural poor,
- Rural financing funding through a dedicated credit line,
- Product and capacity development for financial institutions such as new loan products better tailored to sector seasonality/yield sequencing and climate and environmental vulnerability,
- Enhanced financial literacy and business plan preparation helping the rural poor to make informed and responsible financial programme and decision.

The programme will target vulnerable populations including poor small-scale farmers and entrepreneurs, women, unemployed youth and refugees in the rural areas of all governorates of Jordan, which also represents a significant upscaling. The programme's target groups will comprise approximately 14 000 rural households in poverty pockets disseminated across the 12 governorates. Implementation will prioritize areas with high concentrations of poverty and underserved populations (pockets of poverty) and according to water resource availability.

The main environmental, social and climate impacts related to the programme's interventions are summarized in the SECAP review note while detailed description of the risks and mitigation measures is included in the programme's ESCMP

Institutional and legal framework

Institutions

Institutions dealing with environment and natural resources relevant to agriculture and climate change at different administrative levels in Jordan include:

(a) At the state level:

- Ministry of Environment (MoEnv)
- Ministry of Agriculture (MoA)
- Ministry of Water and Irrigation (MWI)
- Ministry of Planning and International Cooperation (MOPIC)
- Ministry of Energy and Mineral Resources (MEMR)
- Ministry of Local Administration

(b) At the governorate and municipal levels:

- Governorate Environmental Directorates
- Agricultural Directorates under the Ministry of Agriculture
- Municipalities and Local Councils

(c) Supporting and Coordinating Bodies:

- The National Climate Change Committee (NCCC)
- Royal Scientific Society (RSS)
- Jordan Valley Authority (JVA) – under MWI
- Environmental Compensation Fund (under MoEnv)

National legal framework

Environmental and Climate Regulations

The law on Environmental Protection No. 6 of 2017 governs environmental management and establishes the framework for Environmental Impact Assessments (EIAs) in Jordan. Articles 10–14 require that all programmes with potential environmental impacts undergo screening by the Ministry of Environment (MoEnv). The procedures are further detailed in Bylaw No. 69 of 2020 on Environmental Classification and Licensing, which classifies programmes into risk categories and defines whether a full EIA, initial assessment, or simple license is required. Environmental approval must be obtained before permits for construction or operation can be issued.

Under this programme, most activities directly financed through the grant facility —such as small-scale agricultural or processing infrastructure—are expected to fall under low or moderate risk (Class B or C), requiring only limited assessments. The programme will ensure compliance with national procedures and submit necessary environmental documentation as part of the licensing process if needed. Where infrastructure is involved, relevant municipal or local authorities will issue permits in coordination with MoEnv. As for the credit line the responsibility will rely on the borrowers to ensure compliance with national procedures.

Bylaw No. 69 of 2020 on Environmental Classification and Licensing. Establishes a four-tier classification system for programmes based on environmental risk, determining the level of assessment required—ranging from full Environmental Impact Assessments (EIAs) to simplified procedures. This bylaw is crucial for agricultural and agro-processing programmes to ensure compliance with environmental standards.

Bylaw No. 79 of 2019 on Climate Change. Outlines the institutional framework for climate change mitigation and adaptation in Jordan, assigning responsibilities to various governmental bodies. It mandates the integration of climate considerations into national planning, which is pertinent for agricultural programmes aiming for sustainability.

Water Management Laws

The Water Authority Law No. 18 of 1988 establishes the Water Authority of Jordan (WAJ) as the national body responsible for managing water resources and infrastructure. This law was amended by Law No. 22 of 2014. According to Article 25 of the law, all water resources, including surface and groundwater, regional waters, rivers, and internal seas, are considered state-owned property and cannot be used or transferred except in compliance with this law. Nevertheless, the law also facilitates the issuance of licenses to water users and the formation of water user associations. The licensing of water users is provided by the Ministry of Water and Irrigation, which is responsible for overall water resource management in Jordan.

The licensing process involves the issuance of permits to water users, which specify the amount of water that can be used and the conditions under which it can be used. The permits are issued for a specific period, and the water users are required to renew them periodically. The permits also specify the fees that the water users are required to pay for the water they use.

Jordan Valley Authority Law No. 30 of 2001 defines the mandate of the Jordan Valley Authority (JVA) in managing land and water resources in the Jordan Valley region. The law facilitates agricultural development by regulating land use, irrigation systems, and promoting private sector participation in agricultural programmes.

Groundwater By-Law No. 85 of 2002 regulates the extraction and use of groundwater resources, requiring permits for drilling and setting usage fees. It aims to prevent over-extraction and ensure sustainable use of groundwater, which is vital for agricultural activities, especially in water-scarce areas.

Waste and Hazardous Materials Management

Waste Management Framework Law No. 16 of 2020, provides a comprehensive framework for waste management, including the categorization, collection, treatment, and disposal of various waste types. It emphasizes the roles of different stakeholders and encourages private sector involvement in waste management solutions.

Regulation No. 68 of 2020 on Hazardous Materials and Waste Management Specifies the procedures for handling hazardous materials and waste, including storage, transportation, and disposal. It is particularly relevant for agricultural operations that involve the use of chemicals and pesticides, ensuring environmental and public health safety.

Agricultural laws

The Agriculture Law -which consists of 73 articles and is divided in XIV Sections stipulates that the Ministry of Agriculture shall regulate, organize and develop the agriculture field in order to, inter alia, increase the production of food and foodstuffs; protect animals and face animal and plant diseases and epidemics

Prohibitions for producing, preparing, trading or handling pesticides without prior license from and registration by the MOA are stipulated (Article 21A). 42 Article 22 mandates the Minister of Agriculture to issue instructions to prevent the spread of pests and plant diseases, including measures for protecting against pest and pandemic diseases through Integrated Pest Management and chemical and biological equipment and materials and conditions of safe use. Such instructions have recently been issued by MOA

(nr. Z/7 of 2021 “Instructions for Pesticides Registration, Manufacturing, Preparation, Import, Trading and Handling). The instructions provide the requirements for registering and re-registering pesticides for manufacturing, export, import or use in Jordan. The instructions allow for registering pesticides which are registered in countries with advance registration systems such as EU, USA, Australia, Japan and Canada after providing certificate of analysis proving that the pesticide’s specifications meet the standards of the World Health Organization (WHO) and Food and Agriculture Organization (FAO). The Instructions do not allow registering pesticides which are banned in Jordan or in the country of origin for reasons related to impacting human or animal health or the environment. Article nr 43 provides the conditions which should be met by pesticide manufacturers including guidelines for factory’s design, machines, environmental, health and fire safety, occupational health and safety measures and PPEs requirements. Furthermore, there are instructions for licensing pesticides’ wholesalers and retailers.

On fertilizers and plant growth regulators, Article 20-A prohibits the production, preparation, handling and trade of fertilizers and plant growth regulators before registering and licensing the fertilizer by the Ministry of Agriculture.

MOA also recently issued ‘Instructions n.r Z/6 of 2021 on Registration, Production, Import, Analysis, Selling Agricultural Fertilizers and Plant Growth Regulators’. These instructions provide guidelines for fertilizers which are imported or manufactured locally and are allowed to be registered. The instructions provide for forming the technical committee which are mandated with evaluating applications for registering agricultural fertilizers and plant growth regulators, as well as the renewal or cancellation of existing licenses. Guidelines for analysing, testing and examining fertilizers and plant growth regulators are also provided. Specific instructions regulate licensing factories for manufacturing fertilizers and regulators, including conditions related to factory location, buildings, labs, machines and safety. Other sections provide requirements for importers, wholesalers and retailers.

Agricultural Workers Regulation No. 19 of 2021

Defines the rights and obligations of agricultural workers and employers, including working conditions, wages, and occupational safety. It aims to improve labor standards in the agricultural sector, contributing to a more sustainable and equitable value chain.

Energy and Agricultural Development Laws

Renewable Energy and Energy Efficiency Law No. 13 of 2012, Promotes the adoption of renewable energy sources and the implementation of energy efficiency measures. It provides incentives for renewable energy programmes, which can be leveraged in agricultural operations to reduce energy costs and environmental impact.

Agriculture Law No. 13 of 2015 The Agriculture Law No. 13 of 2015 is Jordan’s core legal framework for managing agricultural activities. It regulates land use, crop and livestock production, and agricultural inputs such as seeds, pesticides, and fertilizers. The law requires licenses for all agricultural operations, including farms, nurseries, olive presses, and slaughterhouses, and enforces standards for plant and animal health to ensure food safety. It promotes sustainable resource use, prohibits harmful environmental practices, and restricts the export of genetic resources without approval. The law also supports research and innovation to boost productivity and adapt to climate and resource challenges. It is essential for guiding investment, regulation, and development across the agricultural value chain.

Law No. 24 of 2000 for the Protection of New Plant Varieties, provides intellectual property protection for breeders of new plant varieties, encouraging innovation and the development of improved crops. This law is essential for advancing agricultural productivity and resilience

Instructions for Registration Conditions and Procedures of Vegetable Seeds (June 2022), Outlines the requirements for the registration and certification of vegetable seeds, ensuring seed quality and traceability. This regulation supports the availability of high-quality planting materials for farmers.

Trade and Construction Regulations

Food and Agricultural Import Regulations and Standards (FAIRS) detail the import requirements for food and agricultural products, including sanitary and phytosanitary measures. It is crucial for stakeholders involved in the import and export of agricultural commodities to ensure compliance with international and national standards.

Jordan Valley Development Law (as amended by Law No. 30 of 2001) Focuses on the integrated development of the Jordan Valley, emphasizing agricultural expansion, infrastructure development, and environmental conservation. It provides a strategic framework for programmes aiming to enhance agricultural productivity in the region.

Construction Contractors Law No. 13 of 1987 (amended by Law No. 4 of 2014) Regulates the licensing and operation of construction contractors, ensuring that construction activities, including those related to agricultural infrastructure, meet established standards and safety requirements.

Land Use Regulation Law, governs land use planning and zoning, aiming to balance development needs with environmental protection and agricultural land preservation. This law is vital for maintaining sustainable land use practices in agricultural areas.

Banking and financial regulations

Any Instructions and Circulars Issued by the CBJ. Include bylaws and guidance on capital adequacy (aligned with Basel III), governance, financial consumer protection, and most recently, green and sustainable finance.

SECAP requirement

While aligning with national regulations, REGEF UP will apply IFAD's Environmental, Social and Climate Assessment Procedures (SECAP) (2021 Edition)³⁸. In the event of a discrepancy between national procedures and PESEC, the more stringent requirements will apply.

The SECAP is structured around nine environmental, social and climate standards which bring together the key requirements relating to the environmental and social sustainability of programmes. The standards are aimed at IFAD programme design teams as well as borrowers/beneficiaries/partners during programme design and implementation.

The standards are based on good practices from the United Nations, international financial institutions and multilateral development banks. The full list of standards is as follows:

- Standard 1: Biodiversity Conservation;
- Standard 2: Resource Efficiency and Pollution Prevention;
- Standard 3: Cultural Heritage
- Standard 4: Indigenous Peoples
- Standard 5: Labour and Working Conditions
- Standard 6: Community Health and Safety;
- Standard 7: Physical and Economic Resettlement;

³⁸ SECAP 2021 Manual: <https://www.ifad.org/en/-/social-environmental-and-climate-assessment-procedures>

- Standard 8: Financial Intermediaries and Direct Investments;
- Standard 9: Climate Change.

Of these nine standards, standard 1, 2, 3, 5, 6, 8 and 9 are relevant for REGEF UP.

Environmental, Social and Climate Management Plan

5.1 Summary of impacts

Biodiversity conservation

Degradation of Biodiversity. The risk is assessed as low. Jordan's ecosystems face mounting threats to biodiversity and natural habitats due to both direct and indirect pressures. Urban expansion, intensive agriculture, overgrazing, water scarcity, pollution, hunting, and climate change are among the primary drivers. These are compounded by population growth, mining, and unsustainable resource use, all contributing to habitat fragmentation, resource depletion, and accelerating desertification.

REGEF UP through its promotion of horticulture value chains – vegetables, olives and dates—could have both positive impact but also unintentionally exacerbate biodiversity degradation in key agroecological zones³⁹, especially in the Jordan Valley and highlands.

When sustainable practices are applied, horticulture can enhance agro-biodiversity by promoting crop diversity and preserving traditional varieties well adapted to local conditions. Well-designed orchards and mixed cropping systems provide habitats for pollinators, birds, and beneficial insects. Perennial crops like olives and dates also contribute to soil stability, reduce erosion, and support microbial life. Improved productivity on existing farmland can limit the need for agricultural expansion into natural habitats.

However, unsustainable horticulture practices can harm biodiversity. Large-scale monocultures reduce habitat diversity, and land clearing for expansion threatens native ecosystems, especially in areas like Azraq and the Jordan Valley. Overextraction of groundwater for irrigation depletes aquifers and damages aquatic ecosystems. Excessive use of agrochemicals contaminates soil and water, harming beneficial organisms, and pests risk disrupting local ecological balances.

³⁹ The Jordan Valley: A low-lying area along the Jordan River, characterized by a warm climate suitable for growing vegetables, citrus, and tropical fruits. The valley has fertile soil and receives moderate rainfall, allowing year-round agriculture with the help of irrigation systems, The Highlands: This area includes regions like Amman, Irbid, and Ajloun, with elevations between 600 and 1,500 meters. It has a Mediterranean climate with higher rainfall and cooler temperatures, making it suitable for growing grains, olives, grapes, and stone fruits. The Badia (Eastern Desert): A dry, arid desert zone covering much of eastern Jordan, with minimal rainfall and high temperatures. It is sparsely populated and mainly used for grazing livestock, especially sheep and goats, due to limited water resources and poor soil quality, The Southern Desert: Also known as the Wadi Araba area, this arid region has extreme temperatures and very low rainfall. Limited agricultural activities are possible only with irrigation, so it's mostly used for grazing and some hardy crops where water is accessible.

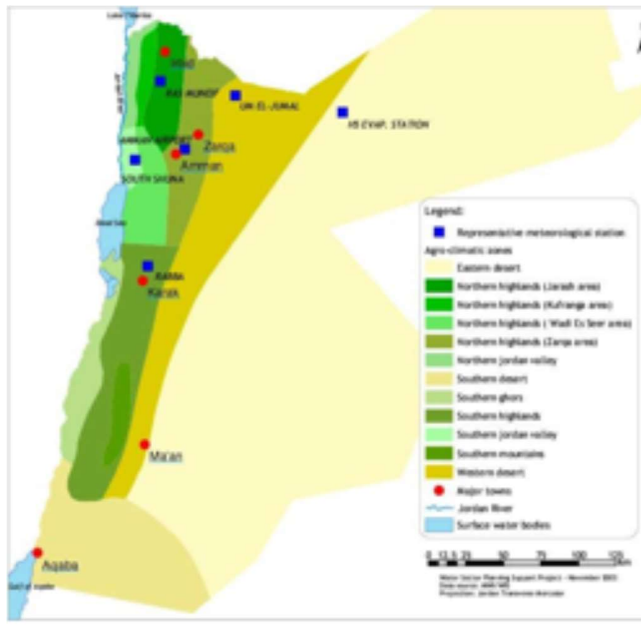


Figure 1: Map of Jordan's main agroecological zone (source: weathering risk 2022)

Jordan's four main ecosystems—desert, scarp and highland, subtropical, and freshwater—contain unique sub-ecosystems such as the Dead Sea Basin and the Harrat and Hammada deserts. Rain-fed agriculture, such as wheat, barley, and olives, is primarily found on the plateau and mountain areas, while intensively irrigated horticulture dominates the Jordan Valley. Declining rainfall and increasing dependence on groundwater have led to over-extraction and habitat degradation. Seasonal wetlands, like those in Disi and Jafr, are being diminished by unsustainable cropping cycles. Traditional crop varieties and native livestock breeds are also in decline.

While olives and dates are economically important, their expansion under intensive farming practices risks the conversion of fragile ecosystems—such as Mediterranean scrublands, riparian zones, and semi-arid steppe—that harbour endemic plant and animal species. Jordan is home to over 2,500 vascular plant species, about 100 of which are endemic, many adapted to ecosystems now increasingly fragmented. According to the UN Biodiversity Lab, Jordan's terrestrial biodiversity intactness was 64% in 2015, reflecting a 36% decline in native species abundance relative to minimally impacted habitats.

Intensive vegetables, olive and date cultivation also compromises soil biodiversity and function. Repeated use of synthetic inputs degrades microbial communities and reduces populations of beneficial organisms like earthworms and nitrogen-fixing bacteria, undermining nutrient cycling, water retention, and carbon storage.

Additionally, the overuse of agrochemicals contributes to non-point source pollution, contaminating surface and groundwater—particularly in catchments such as the Yarmouk and Zarqa Rivers. These waterways are essential to both biodiversity and local livelihoods, and are increasingly at risk from nutrient loading, pesticide runoff, and altered water chemistry.

A further concern is the decline of pollinator species, vital for both crop productivity and wild plant reproduction. Intensive horticulture reduces floral diversity and exposes pollinators—such as native bees and butterflies—to harmful chemicals. A study by Al-Ghzawi et al. (2013) in northern Jordan found a 30%

decline in wild bee diversity near intensively farmed olive orchards, highlighting the direct ecological impacts of current agricultural practices.

Protected habitats. The risk is assessed as low. While all governorates are eligible for programme support, the likelihood of activities taking place in or near protected areas—or areas proposed for protection—is considered low. The programme will apply clear selection criteria to ensure that no interventions occur within or around such areas, thereby minimizing potential risks.

As of April 2025, Jordan had 13 officially designated Protected Areas⁴⁰. These covered 5.43% of the national land area and 2.78% of marine territory, according to the World Database on Protected Areas. Protected area categories in Jordan include National Parks, Protected Landscapes, Nature Parks, Nature Reserves, Forest Parks, and Natural Monuments, alongside three Ramsar sites, which are internationally recognized wetlands.

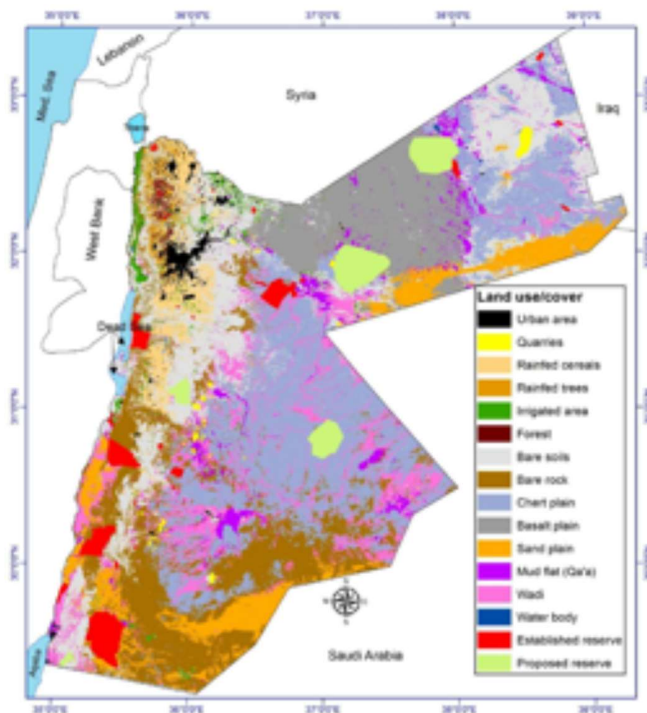


Figure 2: land use/cover map of Jordan including established and proposed reserve (source: global national park)

Each type of protected area is governed by specific regulations that typically allow for limited and sustainable human activity. These may include recreational use, seasonal harvesting of non-timber forest products, agroforestry, and organic or integrated farming practices—provided they do not compromise the ecological integrity of the site.

Procurement of natural resource materials. The risk is assessed as moderate. The programme involves indirect procurement of natural resource material by beneficiaries receiving grants for the construction of small scale rural and processing infrastructures, such as greenhouses, water conservation facilities

⁴⁰ Ajloun Forest Reserve, Azraq Wetland Reserve, Dana Biosphere Reserve, Dibein Forest Reserve, Fifa Nature Reserve, Mujib Biosphere Reserve, Shaumari Wildlife Reserve, Yarmouk Forest Reserve, Burqu Nature Reserve, Dahek Nature Reserve, Dmeitha Nature Reserve, Aqaba Marine Park, Wadi Rum Protected Area

(household level water harvesting structures, small ponds) and small machineries for processing. Loans provided through the credit line, may also involve procurement by clients of the same type of items but at a larger scale. The programme will also directly procure starter demo packages for the production related capacity building trainings. Procurement of natural resource materials would include cement, sand, gravel, water, rocks and planting materials.

While essential for development, the extraction and use of these materials can pose significant environmental and regulatory risks. Cement production in Jordan depends on the extraction of limestone, clay, and marl, and involves high energy consumption, often from fossil fuels—contributing to habitat disruption and increased carbon emissions. Sand and gravel, typically sourced from riverbeds and quarries, can cause erosion, flood risk, and habitat degradation when extraction is unregulated. The programme will not involve, introduce, or utilize invasive alien species i.e non-native plants in the programme area. The programme activities and initial identified value chains have not been identified as a potential for introducing invasive alien species.

To address the risks related to that, the programme will aim to suggest a list of sustainable suppliers to beneficiaries, committed to minimizing environmental impact whenever feasible. For procurement handled directly at PMU level, procurement will favor suppliers that can demonstrate that they are not contributing to significant conversion or degradation of Natural or Critical Habitats. Upon agreement, Banks may impose on large loan borrower to give preference to buying from a member of the United Nations Global Compact. The level of risk related to procurement of natural resources is considered as moderate.

Resource efficiency and pollution prevention

Release of pollutant. The risk is assessed as moderate. The programme will focus on the horticulture value chain and involve the primary production of living natural resource through cultivation, processing and commercialization of fruits and vegetables. The sector has led to the release of pollutant including, poorly treated wastewater, chemical fertilizer and pesticides which have caused water and soil pollution. Consequently, there may be a possible and moderate risk associated with localized nutrient leaching or wastewater release due to production and transformation activities supported by the programme under component 1.

Under the provision of loans under component 2, beneficiary may purchase fertilizer and pesticide (pesticides are excluded from grants in REGEP UP) and autonomous use of fertilizer and pesticide at a localized level may cause risk of over dosage (see section below on fertilizer and pesticides) and/or become the source of secondary contamination through post-use disposal of the substances or their packaging.

Provision of small-scale transformation and/or processing equipment's of horticultural products through the grants can also pose several environmental risks through the release of pollutants. Wastewater generated from washing, juicing, or fermenting produce often contains high levels of organic matter, acids, oils, and potential pesticide residues, which can contaminate surface and groundwater if untreated. The use of chemical cleaning agents and preservatives may further pollute soil and water systems. Solid organic waste such as peels, pulp, and spoiled produce can attract pests and generate Odors or methane if not properly managed. Additionally, air emissions from drying or heating processes may release particulates or volatile compounds, affecting local air quality. Improper disposal of packaging materials adds to plastic pollution, while inadequate sanitation may lead to microbial contamination of the environment and food products.

External source pollution The risk is assessed as moderate. Mining and industrial activities, including phosphate and potash extraction and industrial operations in hubs like Zarqa and Aqaba, have caused significant environmental damage. These activities contribute to air pollution, soil contamination, and water pollution, with emissions of sulfur dioxide, heavy metals, and nitrogen oxides. Major polluters, such as the Jordan Phosphate Mines Company and the Arab Potash Company, have a substantial environmental footprint. Regulatory efforts are ongoing to mitigate these impacts, but industrial pollution remains a critical challenge. As the programme will operate in all 12 governorates, some target areas may overlap with regions affected by historical or ongoing pollution, necessitating careful site selection. Precise geolocation of each intervention would offer more insight and allow detection of potentially pollution problematic at local level.

Consumption of raw materials and energy. The risk is assessed as low. The programme will require consumption of raw materials and energy, mostly under the component 1 through the financing of water efficient and processing infrastructures.

Raw material quantities and energy involved are comparatively limited as a significant share of support to physical infrastructure will consist in the construction of small to medium asset or rehabilitation existing assets.

Use of ground and surface water. The risk is assessed as moderate. Jordan is among the poorest countries in the world in terms of water resources. Water sources (total 1100 million m³) in Jordan consist of the following (in million cubic meter of water (m³)): 1. Surface water 300; 2. Renewable ground water 370; 3. Treated water 180; 4. "Peace Treaty" water 90; 5. Al Disi Basin (non-renewable ground water) 100; and 6. Desalination of ground water 60. From the above sources, agriculture consumes 650 million cubic meters of water, which accounts for 60% of the total while on-farm water use efficiency is only around 60% leaving a huge room for improvement.

The programme investments will not support direct investment for groundwater extraction such well or drill. However, investments through grants and loans will enable farmers to access technologies for more efficient irrigation, including irrigation networks which rely on municipal water including surface and groundwater. . The programme will also support farmers to purchase production assets such as greenhouses, cisterns, solar panels and inputs. Consequently, the latest may extend production and water consumption from groundwater, municipal and surface water source mostly coming from the river Jordan and Yarmouk Rivers, Zarqa River, seasonal wadis, supported by an expanding network of dams. The programme could inattentional finance production assets to farmers which rely on illegal groundwater pumping through illegal drilling, notably highland where groundwater Irrigated agricultural has boomed and cause significant water consumption.

In response, the programme will support beneficiaries to maximise agriculture water productivity and water saving through i) water efficient (based on economical return per cubic meter of water used) or low water consumption crops selection (rain fed) and ii) grants and loans to support water efficiency and conservation work iii) capacity building on climate resilient agriculture practices.

Irrigation sector

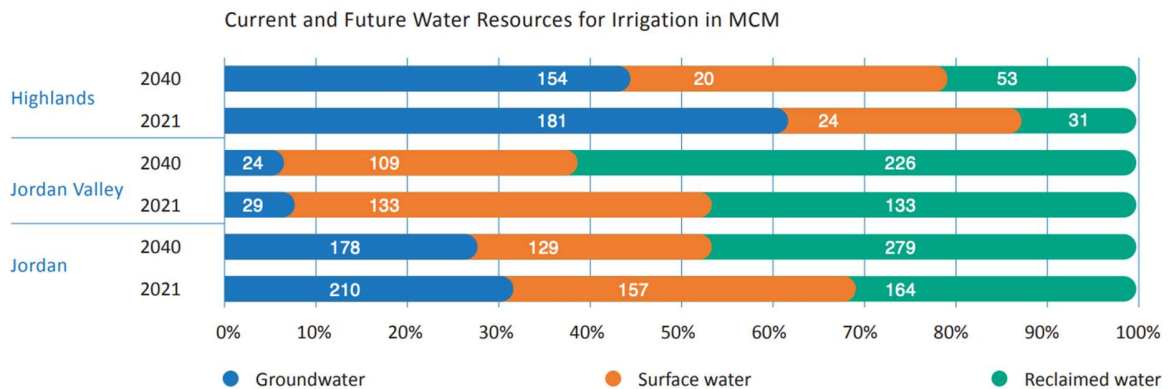


Figure 3: current and future water resources for irrigation Source: Water strategy 2024-2040

Monthly Climatology of Average Minimum Surface Air Temperature, Average Mean Surface Air Temperature, Average Maximum Surface Air Temperature, Precipitation 1991-2023; Jordan

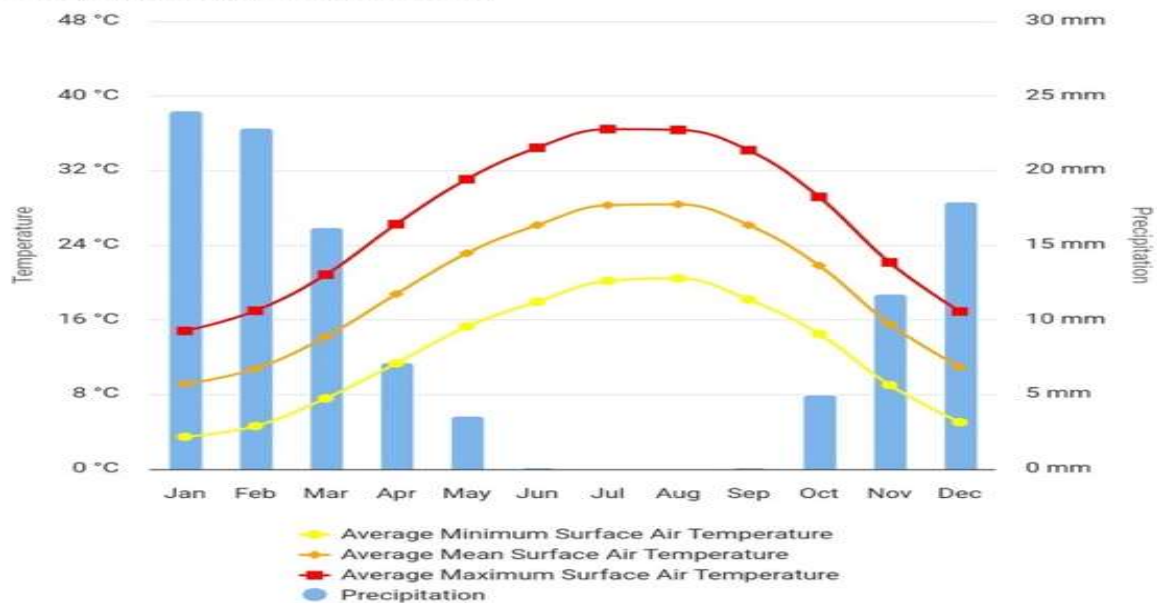
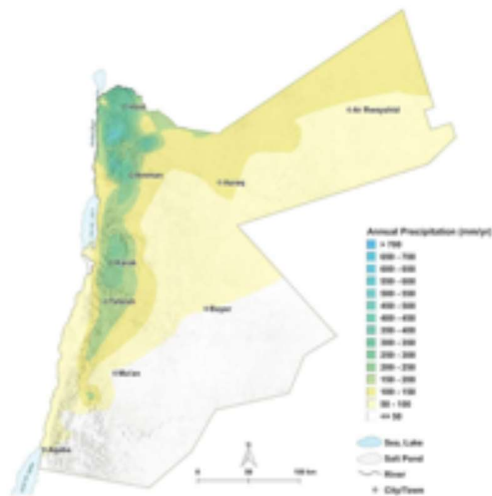


Figure 4 : Jordan average rain fall (source: Nezar Hammouri et al., 2020)

Jordan is an extraordinarily dry country, and water resources are the limiting factor that determines its agricultural production systems. Only about 8 percent of Jordanian territory receives more than 200 mm of rainfall annually while historical trend has shown that annual precipitation has already declined by about 5–20 percent at a rate of 6–27 mm per decade.



to poor land fertility. Risks related to the use of agrochemicals in REGEF UP may occur due to self-purchase and self-use of such substance by beneficiaries and through the provisions of loans which may be used to purchase such inputs.

For chemical fertilizer, as of 2022, the average application rate of inorganic fertilizers in Jordan was approximately 98.15 kilograms per hectare of cropland. This figure aligns with the global average reported for that year. Most common synthetic are Nitrogenous, Phosphate, Potash Fertilizers. REGEF UP selected value chains are mainly vegetables (Tomatoes, Cucumbers) for which, according to local perception and standard agricultural practices, require high nitrogen demand and supplement with micronutrients. For Fruit Trees (Olives, apple, grape and pomegranate) standard practices recommend phosphate and potash fertilizers to enhance fruit quality. However, field visits have confirmed that small Farmers often follow integrated nutrient management practices, combining chemical fertilizers with organic amendments.

For pesticides, there are no legally mandated limits on the quantity of pesticides that can be applied per hectare but effort is being by the Ministry of Agriculture to update Pesticide Management Regulations (see regulation section) and the maximum residue limits (MRLs) for pesticides in food are primarily based on international standards, notably those set by the Codex Alimentarius Commission, and, in certain cases, the European Union (EU) regulations. Most farmers who produce agricultural products for the market use pesticides. This ensures them to achieve higher yields and income compared to alternative organic production. Examples of agricultural production based on organic and IPM principles are limited. Jordan as only 54 organics farms operating in the country. The reasons are mainly the limited presence of products of organic origin on the domestic market and the price difference compared to products from conventional production, which is insufficient to cover lower yields. Also, the organic and IPM method of production is more labour-intensive, and in a situation of labour shortage and rising prices of labour, most farmers prefer the chemical method of protecting plants from diseases and pests.

The majority of 1902 pesticides (Herbicides, Fungicides, Bactericide, Miticide, Insecticide, Fumigant, Adjuvant, Bio-insecticide, Rodenticide, Termicide, Desert Locust, Snake Repellent, Ovicide, Nematicide, and Molluscicides) are used in the field of agriculture in Jordan. According to the Pesticide Action network list of highly hazardous pesticides, 88 out of 310 are still registered and used in Jordan. Following a study from the Jordan Journal of chemistry in 2022, out of a sample 125 commonly consumed fruits and vegetables from various Jordans markets, 40,5 % contained pesticide residues exceeding international maximum residue limits. Cucumbers were the most contaminated, with an average residue level of 3.32 mg/kg.

The below list is of inputs provided as previous REGEF farmers' fields school package for demo plots. Out of the pesticides provided Carbendazim and Coragen can be considered as highly hazardous pesticides. They are classified as a reproductive toxin and possible carcinogen and are Banned or restricted in many countries. For fertilizers, except for the ammonium phosphate fertilizer, for which overuse can cause high water pollution and is regulated in many jurisdictions, all are none highly hazardous but should be used in precise doses.

No.	Item Description	Quantity	Unit	Specifications / Notes
1	Compound Fertilizer 12-12-36	50	kg	European origin, 100% water-soluble
2	Fertilizer 20-20-20	100	kg	European origin, 100% water-soluble
3	CAL-MAG Fertilizer	100	kg	European origin, 100% water-soluble
4	Liquid Calcium Nitrate	2	gallons	Gallon capacity: 18 liters
5	Micronutrients	5	kg	Iron-free (Comfolio)
6	Iron 6% (NAFE)	5	kg	European origin

7	Strong Amino Acid	10	liters	—
8	Fertilizer 19-0-0-20	100	kg	Magnesium-free
9	Compound Fertilizer 10-5-42	50	kg	European origin, 100% water-soluble, magnesium-free
10	MKP	50	Kg	European origin, 100% water-soluble
11	Fungicide (Tichogarin)	2	liters	European origin
12	NATIRO Pesticide	2	liters	European origin
13	COFFEX Pesticide	2	liters	European origin
14	Carbendazim Pesticide	2	liters	European origin
15	Coragen Pesticide	1	Liter	European origin
16	Ammonium Phosphate Fertilizer	50	Kg	European origin, 100% water-soluble

Table : Farmers field school starting package inputs from REGEP UP for demo plot of 0,001 dunum (100m2)

Based on the above table, quantities expressed are for one hectare and shall be used at least for 5 to 10 demo plots

Production of living natural resources. The programme is fully oriented towards and dependent on the production, harvesting, processing and sales of living natural resources – including the cultivation of annual crops and perennial orchards. As part of subcomponent 1.1, REGEP UP will support short value chain for household lead business including production activities within cultivated areas that less than 0.5 hectare and small processing and marketing activities such as jam, pickles, cheese making. These activities due to their small scope shall have limited impact.

The programme will also support longer value chains through its subcomponent 1.2 and subcomponent 2.1 through its credit line. For these component, small and medium enterprises will be targeted along the selected crops. The latest shall reach higher volume of market output (through calibration and quality-based sorting, processing, packaging, engaging in certification etc.). Quantity of production will involve cultivation of larger field ranging from 1 to 10 hectares. Programme will support through matching grants and loans the invest but not limited to in climate-resilient inputs and assets. REGEP UP beneficiaries shall be able to procure seeds or seedlings for growing vegetables, or fruit. Seeds and seedlings shall be certified and virus-free to avoid plant diseases and be spread across fields.

The ratio of available technical support varies from one district to another but it not sufficient with an average of 1 extension agronomist for 800 smallholders, which indicates that it might be difficult for some farmers to timely access appropriate advice and some rural smallholders (especially from remote, less accessible settlements), may implement inappropriate agriculture practices such as excessive use of phytosanitary treatment or fertilizer inputs. The provision of grants and loans to support higher water productivity through broader availability of inputs and equipment, may therefore result in the unintended adoption of unsustainable practices by a share of smallholders.

Livestock and production of animal products. Under subcomponent 1.1 and 1.2, poor households will benefit from investments and trainings in home-based food processing activities, which may include production of small quantity of dairy product such as fresh cheese. The risk is considered as minor as this activity will have a limited scale.

Cultural heritage. Given the nature of the programme and the lack of large-scale infrastructure components, risk of unintended negative impact on sites of cultural values is not envisaged. With regard to intangible cultural heritage such as traditional food processing practices, which might have a cultural value, no specific risks have been identified. This is because he programme intends to support women micro-entrepreneurs to invest and add value to their traditional processed food only for small-scale production and local markets

Indigenous peoples. Bedouins of Jordanian origins represents 40 percent of the population. Other groups include Circassians (1 per cent), Armenians (1 per cent), Bani Murra (70,000)⁴¹. Northeastern Jordan is one of the few remaining regions in the Middle East where pastoral nomadism is still practiced. In this desert region, pastoral mobility is an adapted land use able to cope with low rainfall rates, great seasonal and annual rainfall variations and thus heterogeneous vegetation and water availability. In the Western region of the country, some groups of pastoralists herd sheep and goats. These groups are not included in the programme's target groups. At the current design stage unintended negative impact on their land and resource rights are not envisaged.

Labour and working conditions. Risks in terms of OHS, child labour and gender discriminatory practices in labour and working conditions are assessed as moderate. With regard to Occupational Health and Safety (OSH) some issues have been identified during field visits. Agricultural workers in the country often face unsafe and precarious labor conditions, which require the implementation of adequate mitigation strategies. Jordan has made considerable advancements in the national legal framework regulating the labor rights of agricultural workers⁴². The recently approved bylaw on Agricultural Workers (2021) defines working hours, vacations and social security standards for both Jordanians and migrant laborers. It also highlights specific measures for female agricultural workers (10 week paid maternity leave, overpaid time etc.), who comprises 50 percent of the total number of agricultural laborers in the country (approximately 120.000 people).

Despite these notable achievements, there is still limited awareness of existing regulations and very few of the people met during field visits have received adequate training. Rural laborers continue to be exposed to unsafe and hazardous labor conditions as they tend to endure long hours of work, lack protective equipments when they apply chemicals pesticides and receive inadequate safety training. Rural laborers working on dates production in the Jordan River Valley, face challenges and risks as they have to climb the trees when collecting the fruits. Women labourers endure even harsher labour conditions, including unsafe transportation, poor access to toilets and basic services, risk of sexual harassment (especially for women refugees) and poor payment as compared to their male counterpart. The gender pay gap in agriculture is deep, ranging from 30 to 50%. This stems from the underlying bias that women's tasks in agriculture (e.g. seeding, harvesting etc.), are lighter and require less physical strength, as compared to men's tasks.

Regarding child labour, the agricultural sector is the second-largest industry that employ children in Jordan, accounting for 27.5% of the total child workers in the country⁴³. The incidence of child labour is higher in remote rural areas. Children engaged in agricultural work are exposed to hazardous conditions such as handling dangerous machinery, exposure to harmful pesticides, and performing physically demanding tasks. Under the new regulation, children younger than age 16 cannot work in agriculture and those between ages 16 and 18 can only be engaged in non-hazardous work. Yet, there is a need to deepen and expand awareness of various stakeholders on child labour rights and compliance with labour standard.

Risk of forced labor, under REGEF UP is extremely unlikely, considering that civic work for infrastructure development is not envisaged under the program. The programme will predominantly focus on promoting water-saving technologies, climate-smart agricultural practices, enterprise development and commercialization. None of these activities are expected to utilize forced labor in the programme's areas.

Community health and safety. The major risk in terms of human health is the exposure to pesticides and agro-chemicals that might be purchased by farmers or applied by farm workers, sometimes without wearing adequate protective equipment.

⁴¹ Jordan - Minority Rights Group

⁴² Solidarity Center - Jordan Agricultural Workers Win Landmark Rights

⁴³ 2024, AFC. Local awareness about the risks of child labour within the Agricultural Sector in Jordan Baseline Assessment Factsheet. June 2024

Unintended negative impact on nutrition is not envisaged. Negative impact on water availability for human consumption, as a result of overextraction of groundwater for farming, is not envisaged, as the programme will ensure that grants and loans to be distributed should exclude any programmes that use groundwater or municipal water for irrigation.

Enterprise development activities targeting women and girls and fostering women's economic empowerment might unwittingly generate intra-household tensions, which could escalate into domestic violence. According to REGEF implementing partners this risk is low. In fact, male family members, especially from low-income families and Syrian refugees, tend to support women's participation in economic activities outside of the household since they perceive the benefits of an additional income stream for the whole family. Yet, dedicated prevention and mitigation measures will be put in place.

Physical and economic resettlement. Given the nature of the programme, risk of physical and economic resettlement is not envisaged.

Financial intermediaries and direct investments. Component 2 of the programme aims to enhance access to rural finance through a dedicated credit line managed by a well-established national financial partners institution. The Central Bank of Jordan and Agriculture Credit Cooperation will be the primary financial intermediaries and facilitate lending through their rural finance facility. Both CBJ and ACC present moderate risks, primarily due to limited formal ESMS frameworks, absence of exclusion lists, and weaker internal capacity to handle E&S safeguards for ACC.

The **Central Bank of Jordan (CBJ)** is the country's monetary authority and banking sector regulator. Although it does not lend directly to the public, CBJ plays a key enabling role in national financial inclusion and rural financing policies. It manages and supervises refinancing schemes in collaboration with domestic commercial banks and development partners to channel targeted credit toward underserved segments, including agriculture. As part of REGEF UP, CBJ would act as a strategic institutional partner, facilitating the implementation of a dedicated credit line for rural MSMEs and agri-enterprises through selected financial institutions (PFIs) and ensuring favorable monetary terms. CBJ already manages similar instruments such as the "Soft Financing Program for Agriculture" launched in partnership with the Ministry of Agriculture, and other rural finance credit line supported by the world bank or EIB. Under REGEF UP, CBJ would be responsible for distributing IFAD-supported concessional funding to commercial banks and microfinance institutions for onward lending to eligible rural clients. It would rely on implementing partners to manage environmental and social risks at the sub-programme level.

The **Agricultural Credit Corporation (ACC)** is a semi-governmental financial institution under the Ministry of Agriculture, established to provide direct credit to farmers, rural businesses, and cooperatives in Jordan. It has a longstanding role in financing agriculture and agro-processing programmes, with a strong presence in remote and underserved regions. ACC's portfolio includes seasonal and investment loans for crops, livestock, irrigation systems, greenhouses, and farm-level equipment. ACC has an established capital of seven million JD. As of the end of 2019, the ACC extended a total of 815 million JD benefiting 285 farmers. ACC also has several active programs geared toward women empowerment and youth and offers 0 percent interest for around 80 percent of the loans relevant to climate change. Under REGEF UP, ACC would serve as a direct lender, channeling concessional resources to rural micro and small enterprises, with a focus on strengthening value chains and enhancing climate resilience.

Both the Central Bank of Jordan (CBJ) and the Agricultural Credit Corporation (ACC) operate within the framework of Jordan's national legal and regulatory system. ACC aligns with the Agriculture Law No. 44 of 2002 and must respect environmental and water use regulations, including the Water Authority Law No. 18 of 1988, Environmental Protection Law No. 6 of 2017, and related ministerial bylaws (e.g., those regulating pesticide use, irrigation systems, and land management).

Environmental and Social Policy and ESMS- Neither the Central Bank of Jordan (CBJ) nor the Agricultural Credit Corporation (ACC) currently maintain a formal, transparent, and publicly disclosed Environmental and Social Management System (ESMS). CBJ, as a regulatory body, does not directly manage credit portfolios, and while it may issue general compliance guidance to financial intermediaries, there is no evidence of an internal ESMS. This is due to the fact CBJ does not have a specific mandate for environmental or social safeguards, and current financial regulations do not explicitly require environmental risk assessments for credit schemes. However, CBJ encourages alignment with broader national strategies such as the Jordan Vision 2025 and National Green Growth Plan by facilitating green financing through specialized funds. The bank has initiated steps toward financial inclusion and green finance, through the elaboration of a green finance strategy (2023-2028) with the objectives to better manage climate and environmental risks and increase mobilization to green finance. CBJ has also joined the Network for Greening the Financial System (NGFS) in 2022.

Similarly, ACC has internal procedures for loan appraisal and may avoid lending to harmful activities, but it does not operate a formal ESMS aligned with IFAD requirements. ACC last developed a strategy for 2018-2022 outlining its long-term approach in the agri- business. It is worth mentioning that this strategy and its action plan including adopted KPIs did not address clear E&S issues and concerns, except those related to enhancing water efficiency and reducing poverty by creating job opportunities. However, ACC lending is indirectly subject to national environmental laws, particularly when funding activities that require land use, water extraction, or the use of fertilizers and pesticides. Programmes above certain thresholds may be subject to Environmental Impact Assessment (EIA) requirements under the Ministry of Environment. While ACC applies basic eligibility criteria and has internal risk controls, it lacks a formal and public environmental and social management system (ESMS).

Institutional Capacity to Implement ESMS. CBJ does not appear to employ personnel specifically qualified to manage environmental or social risks, although it maintains supervisory authority over Jordan's financial sector. Its capacity to monitor E&S risks at the programme level is thus indirect and limited. ACC, on the other hand, engages directly with rural borrowers and has a unit to manage risks. ACC has technical capabilities to advise farmers on climate smart water initiatives however environmental, health and safety and social risks are not routinely considered in its credit or grant programs and there is no monitoring of performance. ACC has no specialized or dedicated E&S in-house capacity,

Exclusion List. Neither CBJ nor ACC maintain a publicly available exclusion list that aligns with international environmental and social safeguard frameworks. CBJ does not engage directly in lending, and while it may expect its regulated entities to observe certain national prohibitions, there is no system in place to enforce or monitor adherence to a defined list of excluded activities. ACC possess environmental and social requirements to be included in contract and signed by the borrower.

Portfolio Risk Classification. CBJ does not maintain its own programme portfolio, acting instead as a regulator. However, the commercial banks and MFI selected in the previous REGEP all had acceptable level of portfolio at risk (below three percent). ACC has not disclosed a formal portfolio risk classification system.

Stakeholder Communication and Grievance Redress Mechanism (GRM). CBJ maintains broad channels for public communication in its regulatory role but does not appear to offer a specific grievance mechanism for environmental or social concerns tied to programmes or credit schemes. Similarly, ACC maintains general lines of communication with its clients through its local branches and dedicated email and mailbox address for client to send complains with dedicated staff to handle such complains.

Auxiliary and Capacity-Building Support Services, CBJ supports financial sector development and financial literacy indirectly through programs and intermediaries. ACC offers limited technical assistance to farmers and rural enterprises.

Climate change

Climate-related hazards. According to the World Bank ThinkHazard tool, river floods, landslides, water scarcity (drought), extreme heat, and wildfires pose significant high risks.

River Flood. Potentially damaging floods (including flash floods) are expected at least once in the next 10 years. For horticulture, river floods can devastate low-lying farming areas – inundating vegetable fields and orchards, waterlogging soils, and eroding fertile topsoil. In the Jordan Valley and other floodplain zones, severe flooding can uproot fruit trees and destroy crops, causing immediate yield losses and longer-term soil degradation. Northern districts of Jordan, which receive higher rainfall (e.g. **Irbid** and areas in the northwest), are particularly flood prone. Floodwaters in these areas often run off rapidly on steep terrain, leading to flash floods that can wipe out crops. Beyond physical crop damage, floods leave behind sediment and can trigger plant diseases in waterlogged orchards.

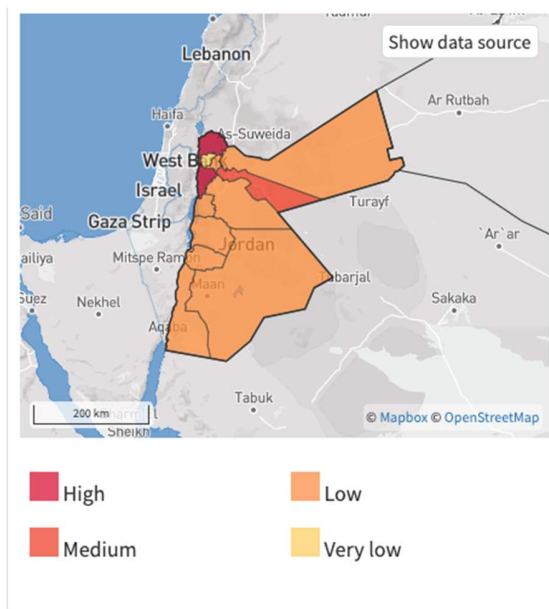


Figure 7: Risk of Riverflood

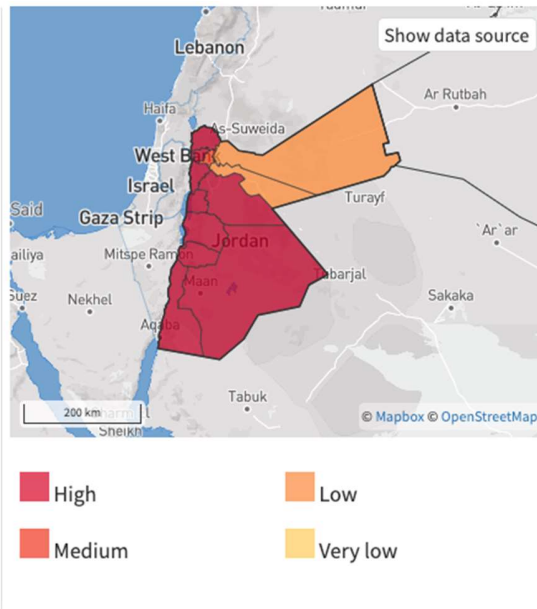


Figure 8: Risk of Landslide

Landslide. Jordan's hilly regions – notably the highlands and escarpments in the northwest and along the Dead Sea Rift – have steep slopes and seasonally intense rainfall that make localized landslides a recurring hazard. For horticulture, landslides can be devastating in upland farming areas. Terraced fruit orchards and vegetable plots on unstable slopes (e.g. in Ajloun or Jerash highlands) may be buried or washed away by slope failures. Heavy downpours can trigger soil slips on hillsides, uprooting olive trees or grape vines and depositing debris on arable land. In addition to outright loss of plants, landslides remove nutrient-rich topsoil, undermining future cultivation. They can also damage rural roads and irrigation canals, hindering farm operations. Given that many fruit trees in Jordan are grown on marginal rain-fed slopes, frequent landslide occurrences undermine those horticultural systems. Climate change may worsen this: more erratic heavy rainfall and wetted winters can destabilize slopes, increasing the burden on farmers to implement soil conservation (like retaining walls or tree windbreaks).

Water Scarcity. Droughts are expected to occur on average every 5 years. Jordan is one of the world’s most water-scarce countries, and prolonged dry spells pose perhaps the greatest risk to its agriculture. Insufficient rainfall and depleted water resources directly reduce crop yields and can cause harvest failures. In horticulture, drought stress leads to stunted growth, fruit drop, and lower quality produce. Vegetables are highly water-dependent; without adequate irrigation, crops like tomatoes, cucumbers, and leafy greens wilt or fail to set fruit. Fruit trees (olive, citrus, stone fruits) survive longer but produce much smaller yields under drought conditions. Repeated droughts also degrade soil moisture and fertility, making farms less productive over time. According to Jordan’s climate profile, the agricultural sector is the livelihood most vulnerable to frequent droughts and declining water shortages force farmers to over-exploit groundwater for irrigation, leading to long-term sustainability issues. As climate change progresses, rainfall is expected to become more erratic and temperatures higher, increasing crop water. This will intensify water scarcity impacts – shortening growing seasons and forcing reductions in cultivated area

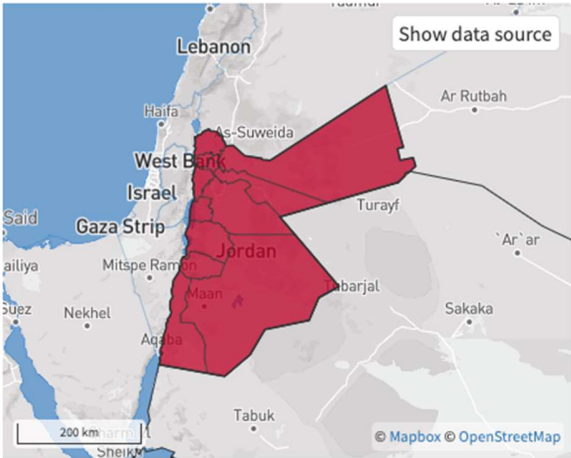


Figure 9: Risk of Water scarcity/droughts

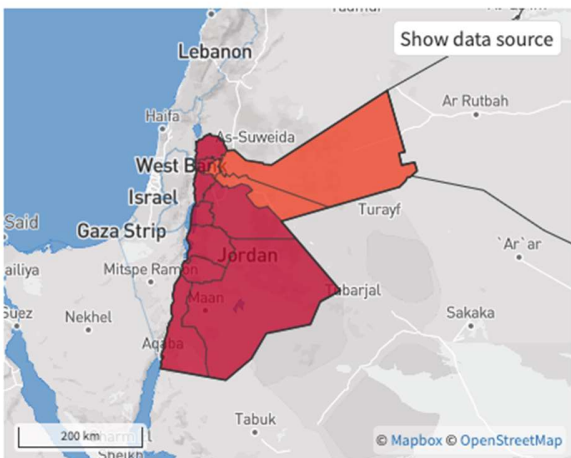


Figure 10: Risk of Extreme heat

Extreme Heat. Heat waves are expected to occur at least once in the next 5 years and are projected to become more frequent under climate change. Such extreme heat poses a major challenge to horticulture. Most fruits and vegetables are sensitive to high temperatures; when temperatures spike above crop thresholds, heat stress can impair plant growth, flowering, and fruit set. The ThinkHazard tool notes that heat waves can impact multiple sectors including crop yields. In Jordan's farms, intense heat can cause blossoms to drop (reducing fruit harvests) and can sunscald fruits or vegetables, rendering them unmarketable. For example, scientific assessments predict that extreme heat conditions could lead to significant yield declines – studies show wheat yields dropping 7–21% and barley 18–35% under hotter scenarios. While those figures are for field grains, similar heat-induced losses can be expected for horticultural crops (many of which are even more temperature-sensitive). High heat also increases crops' water demand, exacerbating drought impacts. In greenhouse farming (common for vegetables in Jordan), cooling costs rise and heat stress can still penetrate, stressing plants. Farmers may face shortened growing seasons for cool-season vegetables as summers become too hot to grow them. Additionally, heat waves can reduce farm labor productivity and increase livestock mortality, indirectly affecting mixed farming.

Wildfires. Jordan has relatively limited forest cover but increasing aridity and heat have made brushfires and wildfires a growing concern, especially in the drier summer months. Wildfires can directly damage horticultural systems by burning orchards, vineyards, or field infrastructure. For instance, a wildfire sweeping through a fruit tree grove can destroy years of growth in hours. Even when farms are not directly burned, nearby wildfires expose crops to smoke, ash, and heat that can reduce productivity. In Jordan's northwestern highlands (Ajloun, Jerash, etc.), where olive groves and other fruit trees border natural vegetation, seasonal fires present a real risk to those perennial crops. Likewise, plastic greenhouse installations in the Jordan Valley are flammable – a brushfire could ignite and devastate rows of greenhouses. During prolonged dry spells, even orchards can become tinder for fire. Climate projections indicate longer and more intense dry periods, likely extending the wildfire season and potentially expanding fire-prone zones

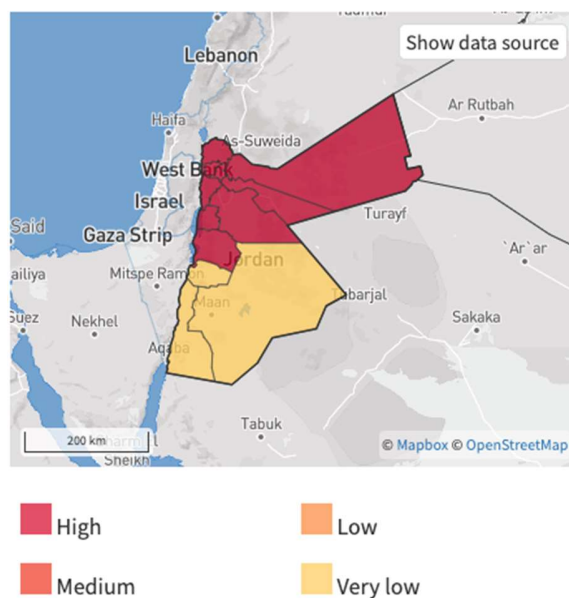
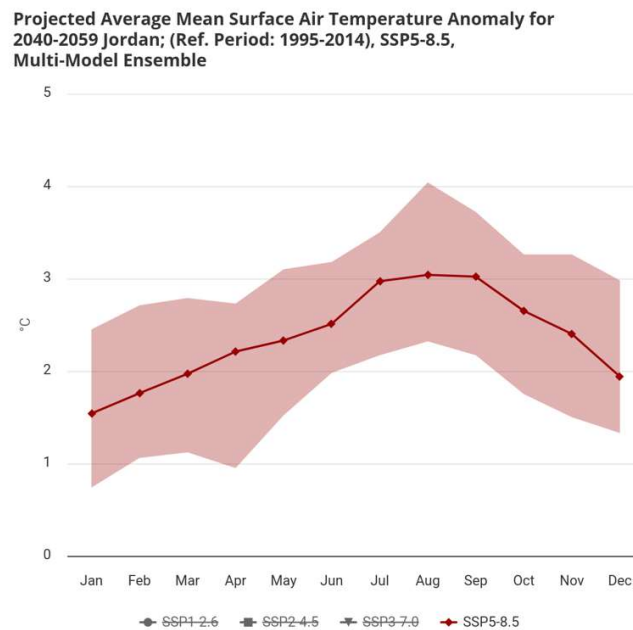


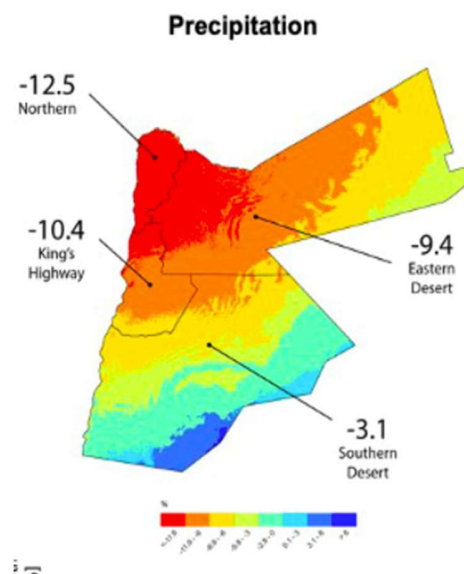
Figure 11: Risk of Wildfire

Future climate projections (all graphs are sourced from the World Bank Climate change knowledge portal). Future climate scenarios predict substantial temperature increases and rainfall decrease. Projected mean temperature anomalies for 2040-2059, under the RCP 8.5 scenario, are projected to rise between 1.6°C to 3.04°C over the year, with stronger warming in the eastern and southern regions. Mean

temperatures are expected to increase by a median of 2.4°C by 2059, although the southwest frontier may experience slightly less impact until 2070.

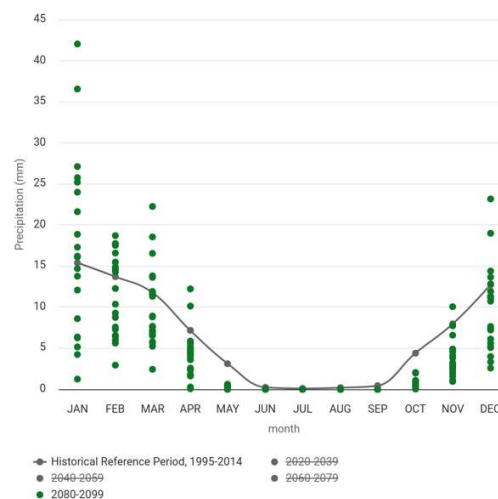


Annual cumulative precipitation is projected to decrease by 6% in 2030 to 20% in 2070 under the SSP5-8.5 scenario, while variability in rainfall will rise significantly, leading to unpredictable weather patterns. Difference in precipitation is mostly expected to further affect the months of February and December.



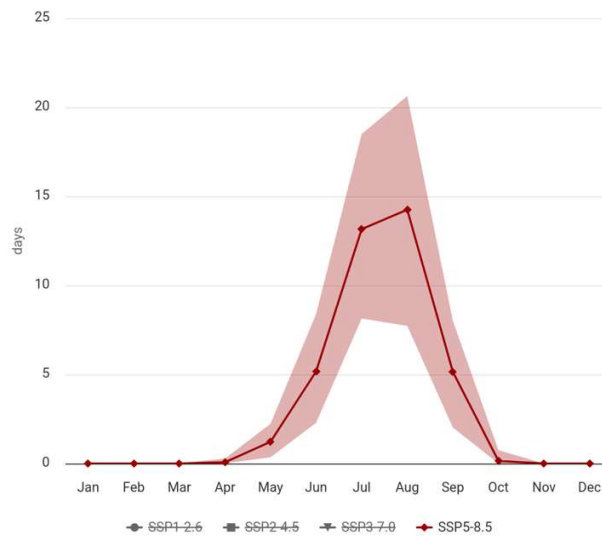
Trend within precipitation variability in a RCP 8.5 scenario shows an increase in distribution of precipitation while projected variability in 2080 - 2099 shows changes in precipitation trends from 1,25 mm to 42,80 for the only month of January.

Projected Variability and Trends of Precipitation across Seasonal Cycle, 20: Z100; Jordan; SSP5-8.5, access-cm2_r11p1f1



Extreme events, including heat waves, are expected to intensify, with the number of heat wave days (42 degrees or above) projected to reach approximately 40 days annually by 2100 under a RCP 8.5.

Projected Number of Hot Days (Tmax > 42°C) Anomaly for 2080-2099 Jordan; (Ref. Period: 1995-2014), SSP5-8.5, Multi-Model Ensemble



Exposure. The programme will target areas in the valleys, semi-arid highlands, the Badia (desert), and along riverbanks—regions that are particularly vulnerable to climate-related hazards. Agriculture and horticulture in these zones are expected to face escalating challenges as climate change intensifies. Rising temperatures, prolonged droughts, and declining rainfall will reduce overall water availability at the same time that crop water demands increase, especially for irrigation. This imbalance is likely to reduce agricultural productivity, particularly for water-sensitive crops. In addition, higher temperatures during critical growth stages—such as flowering—are projected to cause significant yield losses due to short-term heat stress.

By the 2070s, irrigation demand may rise by 5% to 20% or more, primarily due to increased evaporative losses. Yield reductions of 5% to 20% are projected across key crops. For example, a 2°C temperature increase could reduce wheat yields by up to 10%, while vegetable yields may fall by 5% to 10%. Olive production is similarly at risk, with potential yield losses of 5% to 10%, along with a decline in oil quality.

Tomatoes and date palms are two important food and cash crops grown in Jordan's irrigated agroecological zones (AEZs). Tomato plants have an upper optimum temperature of 27°C, while date palms tolerate heat well, thriving in temperatures up to 45°C. Analysis indicates that date palms in irrigated AEZs do not experience heat stress, even under future climate scenarios. As per current and projected conditions, summer temperatures in these areas are not expected to exceed the 45°C threshold. Therefore, date palm cultivation is unlikely to face significant temperature-related stress. Conversely, tomato crops are projected to experience between 20 to 60 days of heat stress annually, particularly in the early (October–November) and late (March–April) stages of the rainy season. This poses a threat to tomato production, especially for crops planted very early or very late in the season.

While not fully assessed here, olives may also be increasingly exposed to heat-related risks. One concern is the earlier onset of flowering, which could subject buds and flowers to elevated temperatures, potentially reducing yields and fruit quality despite continued vegetative growth. Research suggests that olive flowering in Jordan may occur up to 10 days earlier under future climate conditions, with possible negative impacts on farmer profits. Another emerging threat is the increased prevalence of pests, particularly the olive fly.

Moisture stress presents a significant hazard in rainfed areas, where crops such as potatoes, wheat, barley, and olives often face wilting during the growing season due to insufficient soil moisture. Past studies have indicated rising drought stress in olive-suitable regions, resulting in higher irrigation requirements.

Beyond the overall reduction in rainfall, greater precipitation variability is anticipated, further increasing agricultural risk—especially for the 70% of Jordanian farmland that is rainfed. Unpredictable rainfall patterns are expected to shorten the growing season, disrupting traditional planting calendars. Farmers may need to adjust sowing and harvesting periods to sustain yields. A delayed or erratic rainy season will reduce the productivity of cereals and winter crops, while more frequent droughts will compound these challenges. Together, these pressures highlight the growing vulnerability of Jordan's agricultural sector and the urgent need for climate adaptation strategies.

Sensitivity. Jordan's sensitivity to the adverse effects of climate change is complex, shaped by a mix of strengths and vulnerabilities. The country benefits from political stability, the absence of major diseases, and relatively high human development indicators, such as a strong HDI and MPI index. Despite an inequality index below 5, Jordan hosts large refugee populations, including 1.3 million Syrians, of whom 634,728 are registered with UNHCR (82.1% living in host communities and 17.9% in camps), and approximately 2.4 million Palestinian refugees registered with UNRWA. Vulnerable groups, particularly refugees, face precarious food security and limited economic opportunities, leaving them disproportionately affected by climate change impacts and exacerbating existing social inequalities.

Jordan is also one of the most water-poor countries in the world for renewable freshwater with around 61 cubic meter per capita in 2021 (absolute water scarcity is considered at 500 cubic meter). Climate change and overuse of water resources have further reduced groundwater and surface water resources, while population has grown at a very high rate, placing Jordan among the world's top five countries in population growth historically (more on water sensitivity is provided in the ESCMP)

Jordan's national food security is heavily reliant on imports, with 98% of its cereal requirements sourced externally, making it vulnerable to international price fluctuations and supply instability. Rapid economic growth, urbanization, population increases, and successive waves of refugees have placed immense pressure on the country's energy resources especially water resources. Jordan imports 96% of its oil and gas, which accounts for nearly 20% of GDP, leaving it exposed to global energy market volatility. Political and social factors such as regional instability, strained infrastructure, pollution, land ownership disputes, and declining soil quality further heighten sensitivity to climate change. Limited access to technology and financial resources hampers effective adaptation, while education and nutrition levels, though relatively stable, are under strain from economic challenges. Collectively, these factors underscore Jordan's vulnerability to climate change and its impacts on society and resources.

Adaptive capacity. At the national level, Jordan has made important progress in strengthening coordination mechanisms for disaster preparedness, risk financing, and strategy implementation. The establishment of the National Center for Security and Crisis Management (NCSCM) in 2015 marked a key milestone, followed by the launch of the National Disaster Risk Reduction Platform in 2017, which brings together multiple stakeholders under the NCSCM. The government also developed the Jordan National Natural Disaster Risk Reduction Strategy (2019–2022) and an accompanying emergency plan. More recently, the Ministry of Environment introduced a national flood mapping tool in 2023. Despite these advances, progress in disaster risk reduction remains uneven. Challenges persist due to the limited integration and implementation of key initiatives, such as drought monitoring, early warning systems, risk financing mechanisms, and mitigation measures.

In the agricultural sector, shifts in land use patterns reflect Jordan's ongoing adaptation efforts in response to a changing climate. These include a gradual transition from rainfed to irrigated agriculture, increased investments in wastewater reuse, and adjustments to farming systems. However, the impacts of climate change are not uniformly experienced. Small-scale farmers and rural poor communities, particularly in the desert areas and highlands, are among the most vulnerable due to their dependence on agro-pastoral systems and limited access to climate-smart agricultural knowledge. This vulnerability is further compounded by a shortage of extension services; data from the Ministry of Agriculture indicates that there is only one extension officer for every 800 farmers. Financial constraints also hinder smallholders from adopting adaptive measures such as drought-resistant crop varieties, modern irrigation techniques, water harvesting systems, or renewable energy solutions for agricultural use.

In terms of rural infrastructure, Jordan has made strides in providing essential services to farmers and rural populations. However, gaps remain in the maintenance, modernization, and equitable distribution of these services. One critical concern is the limited reach of municipal water distribution systems in remote desert areas, which undermines access to reliable water for both domestic and agricultural use.

Regarding climate and weather information services, Jordan provides a variety of forecasting and advisory tools to rural communities, though delivery is still inconsistent across regions. The Jordan Meteorological Department (JMD) is the primary source of real-time weather data, short- and medium-term forecasts, and extreme weather alerts. These are disseminated through traditional media (TV, radio), digital platforms (JMD's website and social media), and mobile alerts. Complementing these efforts, several pilot programmes led by development partners such as FAO and GIZ have introduced SMS-based advisory services offering localized weather updates and farming recommendations in selected areas, such as the Jordan Valley and Mafraq. The Ministry of Agriculture and National Agricultural Research Center (NARC) also integrate climate data into extension services, including through Farmer Field Schools and climate-resilient agriculture training. Moreover, mobile platforms like Climadapt have begun to offer localized digital tools for climate risk management, although their reach is still limited.

Despite these advancements, several challenges persist. These include insufficient microclimate-level forecasts, limited access in remote regions such as the Badia, and digital access gaps—particularly among women farmers. Furthermore, the use of seasonal forecasts remains low due to limited awareness and the lack of user-friendly, actionable information. Addressing these gaps will be crucial to improving the resilience and responsiveness of Jordan's rural communities to climate-related risks.

5.2 Proposed mitigation and enhancement measures

Biodiversity: Horticulture capacity building curricula under subcomponent 1.1 will focus on diversification cropping systems, efficient water use, integrated pest management, and the use of drought-tolerant or native species. Infrastructures purchased through Grants or loans (greenhouses, water tanks, water etc), as per REGEP UP exclusion list, should not require clearing of natural habitats. See below for more mitigation measures regarding natural resources management.

Protected habitats. The programme will ensure through its geographical targeting selection criteria that no interventions within the selected clusters are taking place in the proximity or within any of these protected areas.

Procurement of natural resource materials. When purchasing natural resource commodities, procurement will favor suppliers that can demonstrate that they are not contributing to significant conversion or degradation of Natural or Critical Habitats. When feasible, for larger loans exceeding 100 000\$ under component 2, Banks will consider based on the type of activities to be financed to request the borrower to give preference to buying from a member of the United Nations Global Compact.

Release of pollutant. See also section below on use of agrochemical. The programme will implement as part of its capacity building activities, sessions on plastic pollution, waste management, water and soil conservation and the proper use of fertilizer and pesticide products while promoting Integrated pest management activities. Grants selection process and loans risk screening will accept or reject proposals based potential and level of risks related to release of pollutant.

External source pollution. External pollution will be carefully assessed site by site as well as existing affordable technologies to mitigate pollution impact

Consumption of raw materials and energy. For procurement directly managed by the PMU and the selected implementing partners, it is recommended to add a clause to existing procurement and public call documents requiring traceability of sand and gravel extraction sites with adequate authorisation; if applying companies are (alleged to be) involved in reported cases of unlawful or irregular resource extraction, the PMU and selected implementing partner should enquire about safeguards and mitigation measures put in place by the suppliers, in order to facilitate later verification. For procurement managed by beneficiaries directly, the implementing partners shall use the SECAP check list presented in the appendices to the ESCMP during supervision of grants involving raw material and construction. For agrochemicals uses see below on use of pesticides and fertilizers.

Water Use and Conservation. The programme value chain selection process has prioritized drought resistant and/or high water productivity and/or low consumption crops with an objective to reduce pressure from the agricultural sector on water source while increasing the economic return per unit of water.

The programme will not finance infrastructure work for groundwater extraction under its credit or grant components. Instead, it will support assets that promote water efficiency, such as rainwater harvesting systems, treated wastewater infrastructure, greenhouses, hydroponics and irrigation technologies, landscape work that help reduce water consumption and/or replace groundwater use and support rainwater soil retention and harvesting.

Before grants are awarded, the programme will develop a comprehensive study to select the best water technologies according to cluster agroecological zone typology. Investments will be select so that they are adapted to the agrological zone and profile of beneficiaries (i.e capacity to manage it)

The programme will offer capacity-building support to beneficiaries with different objectives on climate-adaption, water and soil conservation practices and water use efficiency.

Grant recipients will be selected based on criteria such as water consumption, land size, and crop water requirements. The programme will also provide targeted technical assistance to selected beneficiaries for the design, operation and maintenance of all water infrastructures provided, Close monitoring of usage and benefice from intervention will be done through dedicated technical assistance on water monitoring.

Loans proposals will be subject to environmental risk screening related to water use by selected Banks (more info in financial intermediaries' section)

Use of Pesticides and Fertilizers. The programme will exclude the purchase of pesticides under its grant financing. For training and demonstration purposes, it is requested : i) to replace commonly used pesticides such as Carbendazim and Coragen with alternatives listed in the low-risk, non-HHP (Highly Hazardous Pesticide) category—particularly for horticultural crops targeting export markets or requiring compliance

with Good Agricultural Practices (GAP) standards (see appendix 1) ii) focus on promoting knowledge of appropriate pesticide dosages by crop and pest type, iii) implementing Integrated Pest Management (IPM) practices, and piloting organic demonstration plots iv) provide listing of bio pesticides available in Jordan.

Regarding fertilizers, implementing partners responsible for training will ensure that application rates are adjusted according to soil quality and crop requirements. Fertilizer use should align with EU average thresholds. The following practices will be promoted: i) Soil testing to establish baseline fertility and tailor inputs to actual soil needs. ii) Integrated Nutrient Management, combining organic matter with mineral fertilizers. iii) Avoidance of over-application, particularly of nitrate and phosphate fertilizers in sandy or shallow soils. iv) provision to trainees and grantees a list of fertilizers from certified suppliers to ensure purity and regulatory compliance.

In addition, implementing partners are requested to produce and distribute visual guidelines on the safe use, storage, and disposal of pesticides as part of the production trainings. These materials should use clear illustrations and language suitable for farmers.. Implementing partners will also be responsible for documenting training and awareness activities at each cluster level.

Loans will follow Environmental and social risk screening will ensure no financing is attributing to : ii) the Purchase of banned pesticides, insecticides, herbicides; and other unbanned pesticides, unbanned insecticides and unbanned herbicides and dangerous chemicals exceeding the amount required to treat efficiently the infected area ii) to Activities that involve use of hazardous materials (including asbestos) or any banned chemicals.

Production of living natural resources. To help gauge environmental awareness, it is advisable to regularly collect data on key indicators. This includes maintaining signed attendance records for training sessions led by mentors or technical advisers for production or processing related training, capturing participants' basic details.

Additionally, documentation should outline the objectives, content, and timing of each training session, along with the delivery method—whether through lectures, hands-on fieldwork, peer exchanges, or demonstration visits—to allow assessment of their relevance, frequency, and impact.

For the rural finance component, programme should require that financing institutions as part of their contractual obligations, implement due diligence of programme before loans are provided to ensure environmental, health and safety and social risks are considered (financial intermediaries)

Livestock and production of animal products. The programme will as part of its capacity building programme for processing include topics on proper handling dairy products and transformation.

Cultural heritage. Given the nature of the programme risk is assessed as low.

Indigenous people. These groups are not included in the programme's target groups. At the current design stage unintended negative impact on their land and resource rights are not envisaged.

Labour and working condition. With regard to Occupational Health and Safety (OSH), the report recommends including training and sensitization of rural producers and entrepreneurs on the importance that they comply with national legislation on labor conditions, minimum wage (290 JD per month) and OSH standards when hiring workers. This will be considered as a pre-condition to access programme's support and will be included in programme-delivered training packages. Risk of child labor in agriculture will be mitigated through the implementation of dedicated awareness-raising activities on the impact of labor on children and on the provisions of the law during training activities.

OSH standards will focus on promoting the use of protective equipment and first aid boxes and fostering a clean and safe workspace especially for women workers. REGEF UP will also replicate the experience of REGEF, which has promoted a safe work environment in home-based micro-enterprises, mostly dominated

by women. This included the provision of training and financial resources to ensure a clean, hygienic and safe working place for women workers.

Community health and safety. The SECAP review recommends to focus efforts to mitigate the health risk from exposure to pesticides and agro-chemicals that might be purchased by farmers or applied by farm workers, sometimes without wearing adequate protective equipment. This risk will be mitigated through training and sensitization on the negative health impact of exposure to pesticides, that will be integrated in training curriculum with farmers including medium scale commercial farms. Activities related to climate smart agriculture will also integrate IPM and organic farming in training packages, which will contribute to reduce use of unsafe chemicals in farming.

Unintended negative impact on nutrition is not envisaged as the programme's interventions, will apply a nutrition-sensitive approach to food system transformation and promote compliance with food quality and safety standards in value-chain development. Activities targeting women small-scale producers and entrepreneurs will support the processing of healthy and nutritious food to be sold in local markets. In addition, the programme will deliver training to support behavioral changes in nutrition habits especially aimed at tackling unhealthy food practices.

Negative impact on water availability for human consumption, as a result of overextraction of groundwater for farming, is not envisaged, as the programme will ensure that grants and loans to be distributed should exclude any programmes that use groundwater or municipal water for irrigation.

Potential risks in terms of GBV, will be addressed through the implementation of adequate sensitization to be delivered by local service-providers as part of their gender interventions and norm dialogue sessions. Contracted NGOs will also ensure the dissemination of a reporting mechanism to detect and respond to potential cases of violence against women and girls.

Physical and economic resettlement. Given the nature of the programme, risk of physical and economic resettlement is not envisaged.

Financial intermediaries. As the primary financial intermediaries and loans approval authority, ACC and CBJ will be responsible for ensuring that their Environmental and Social Management System (ESMS) is fully aligned with IFAD's safeguard standards and that commensurate screening, categorization, and management of environmental and social risks associated with loan operations is implemented. To support this alignment, separate draft Environmental and Social Action Plans (ESAP), outlining proposed measures, is included in appendix 3 of the ESCMP. The final version of this plan shall be annexed to the final agreement between JEDCO and CBJ.

With regards to environmental and social safeguards for Partners financial institutions (second intermediaries) to be selected by CBJ, CBJ will assess their Environmental and Social management system as part of the selection process and assess if it is commensurate with the risk level of the type of loans to be manage. If Environmental and social management system is not at level, CBJ will ensure selected PFIs develop and apply environmental and social safeguards to loan selection procedure. TA under subcomponent 2.2 can support PFIs in such endeavour.

The programme, together with its financial partners—including ACC and CBJ—will apply the IFAD and REGEP Exclusion List (see appendix 4) consistently

Climate risks. Relevant climate adaptation measures and recommendations in the framework of the REGEP UP programme are already proposed in the Social and Environmental risk assessment section and are included in the programme.

One of the programme's core strategies is the careful selection of climate-resilient and economically viable agri-food value chains, in alignment with the Jordan Climate Smart Agriculture Action Plan. Targeted

commodities include horticultural crops, rainfed olives, and dates—each chosen for their adaptive potential and contribution to food security, income generation, and export competitiveness.

Recognizing the projected 20–25% decline in water availability for irrigation due to climate change and increasing domestic water demand, the programme places strong emphasis on maximizing water productivity. This includes both biophysical efficiency (yield per unit of water) and broader economic benefits such as income, employment, and nutritional value per unit of water used.

Table: Crop Water Use and Economics under climate smart agriculture practices (source: World Bank, REGEF UP)

Initial Crop selection	Water Use (m3/dunum ⁴⁴)	Water Productivity (kg/m3)	Yield (kg/dunum)	Water Economic Return (\$/m3)	Producer Revenue (\$/kg)	Typical Source of Water
Date Palm irrigated	1400	0.7	200	5	7	Groundwater/Surface water
Rain fed Olive Oil	500	0.8	50	1	1.2	Rainfed/Surface water
Rain fed Grapes	500	1.6	1200	2	2.5	Surface/Rainfed
Vegetable greenhouse 45	300	40	5000	20	0.5	Surface/Reclaimed
Okra open field irrigated	300	2	3000	3	1.1	Surface/Reclaimed/Rainwater

The programmes will promote and invest in climate-smart agriculture approach which will be designed to be context-specific, acknowledging that effective adaptation strategies must be tailored to local conditions and production systems. To that end, REGEF UP emphasizes inclusive planning, capacity building, and stakeholder engagement to ensure that enabling conditions are in place for scalable, resilient interventions. For instance, date palms—naturally heat-tolerant—offer promising opportunities for expanded production in irrigated areas if managed properly. In contrast, vegetables, which are vulnerable to heat stress and post-harvest losses, require investment in protective cultivation and post-harvest technologies to improve quality and market access. Similarly, rainfed olive cultivation, while generally resilient, still faces climate risks that necessitate adaptive measures to sustain yields and minimize losses.

REGEF UP should contribute to Greenhouse Gas emission reduction, primarily through improved agricultural practices in annual and perennial cropland and intercropped croplands. One of the most significant leverages where the REGEF UP programme could act swiftly is cutting any excessive distribution and misuse of nitrogen-based fertilisers.

Roles and Responsibilities. In line with the programme’s implementation arrangements, JEDCO and the selected implementing partners are responsible for applying and monitoring the ESCMP. JEDCO PMU will oversee the planning and coordination of environmental and social activities, including hiring qualified national consultants or firms to provide training, technical assistance, and ongoing supervision if needed.

The PMU will recruit a SECAP consultant (see TORs in PIM annex) to support JEDCO in the implementation, monitoring and updating the ESCMP including the GRM and SEP, with IFAD’s technical support. This consultant will also help organize training sessions for stakeholders and programme participants.

⁴⁴ 1 dunum = 1,000 sqm, i.e. 0.1 hectare

⁴⁵ Average for Tomato, cucumber, peper, chilly, beans

During implementation, the rural finance expert with the SECAP consultant will ensure that ACC and CBJ fully implement their ESAPs, enabling their ESMS to meet SECAP's minimum standards. In coordination with CBJ, the programme will conduct further due diligence on the participating commercial banks. The SECAP consultant will ensure as part of the technical assistant sub-component 2.2 that all banks develop and implement an appropriate environmental and social screening procedure according to loans size to assess any risk related and recommendations for loans proposal.

Monitoring and Reporting. In addition to the indicators defined in the ESCMP for monitoring environmental and social risks and mitigation measures, the programme's logical framework includes specific indicators on social inclusion, natural resource management, and climate change adaptation.

The SECAP consultant will support JEDCO in the monitoring and reporting on ESCMP implementation annually. SECAP compliance will be reported on annually through supervision missions.

The programme's annual progress report must provide sufficient detail on the implementation of the ESCMP, including the integration of ESCMP and ESAP requirements into grant and loan agreements, as well as into bidding and contractual documents.

The PMU should also establish and keep record of: (i) the screening of sub-programmes; (ii) engagement of consultants; (iii) developed E&S instruments and their implementation; (iv) progress of activities and works that require environmental and social supervision; (v) information on engagement of stakeholders; and (vi) Records of grievances and incidents.

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ESCMP Matrix

Environmental, social and climate Impacts	Recommended mitigation/ Enhancement measures	Public consultation activities	Means Verification	Verification frequency	Institution responsible for implementation	Necessary means / Estimated cost
Safeguard consultancy	Included in the programme cost budget for SECAP consultant to support JEDCO in the implementation of the recommended measure and report		Procurement		JEDCO Coordinators	50 000, 10 000 per year
Conversion and degradation of biodiversity and ecosystem Due to horticulture activities and infrastructures installation and agricultural activities	Consider areas for any infrastructures to be constructed or rehabilitated (e.g. greenhouse, water harvesting) which were already used for agricultural purposed or cleared prior programme. Include specific clause in grants and loans agreement with beneficiaries' and include mention in REGEF exclusion list Include in training programme for production aspect related to soil testing, crop rotation, soil and water conservation, Integrated Pest management. See below for actions regarding soil and water pollution and use of agrochemicals	Training through capacity building programme, diffusion of REGEF UP and IFAD exclusion list, call for proposal for grants	Grants and loans application during selection process SECAP checklist for construction work (see proposed version in appendix) Training attendance and adoption rate	During grant application process Annual reporting	Partners Selected implementing, Banks	Cost mainstreamed under component 1
Protected habitats. Cluster selections	Programme geographical targeting to exclude interventions to take place in the proximity of protected areas or in protected areas	Diffusion of IFAD and REGEF exclusion list	Targeting strategy Loans applications	Start up, and continuous	Banks and Implementing partners	No cost
Consumption of raw material	add a clause to existing procurement and public call documents requiring traceability of sand and gravel extraction sites with adequate authorisation;	Call for proposal	Procurement	Continuous	PMU procurement	No cost

	the PMU and selected implementing partner should enquire about safeguards and mitigation measures put in place by the suppliers, use the SECAP check list during supervision of grants involving raw material and construction.					
Procurement of natural resource materials Construction infrastructures may lead to use of material compose of natural resources	Provide list of suppliers adhering to environmental certifications such as ISO 14025. For cement, request beneficiaries to favor suppliers employing the energy-efficient dry kiln process over the more energy-intensive wet kiln process. For loans above 100 000 USD, When feasible, Banks will consider based on the type of activities to be financed requesting the borrower to give preference to buying from a member of the United Nations Global Compact.	Loans and grants application procedure	Grantees technical support for design after grants approval Loans selection process		Procurement officer with support of environmental expert if needed Banks	No cost
Release of pollutant to the environment Increased water and soil pollution from agriculture runoff and processing waste as a result of an increase in activity following investments	Apply exclusion list which include excluded products to be financed by loans and grants Grant selection will review programme potential impact on the environment through selection criteria and proposal review Loans to be submitted to Environment and social safeguard screening and categorization by selected banks. Promotion of soil and water conservation practices including waste	Diffusion of IFAD and REGEF exclusion list	Processing and production Training attendant list SECAP checklist for construction work (see proposed version in appendix) Grant selection form Loans risks screening	Continuous	Implementing partners for component 1 Banks for component 2	Cost mainstreamed under component 1 and 2

	management in the curricula for production capacity building Apply SECAP checklist during grants infrastructures constructions Awareness sessions on plastic pollution and collection solutions Prioritize support to processor and rural enterprise that provide eco benefit and promote circular economy including waste recycle See section below on use of agrochemicals					
External source of pollutant Location of programme in polluted area	Once cluster identified, External pollution to be carefully assessed site by site as well as existing affordable technologies to mitigate pollution impact	Pollution diagnostic shared during capacity budling session	Assessment of the areas and proximity to industry, mining or other potential sources of pollutant	Baseline	JEDCO component 1 manager with the support of External consultant to provide	Use SECAP consultant budget
Rehabilitation of irrigation schemes with diversion, contamination of surface or ground water Provision of water harvesting infrastructures and irrigation technologies can increase water consumption if no	Select low consumption or high-water productive crops Water Technolgies and infrastructures promoted under the grant window will exclusively be for purchasing water efficient technologies or for rainwater harvesting infrastructures with the overall objective to reduce water use consumption and increase water productivity	Training sessions Exclusion lists Loans and grants focus and selection procedure	Production training attendance list Selection criteria for grants application Loans Envirommental screening review	Continuous	Selected implementing partners with JEDCO support Banks	Cost mainstreamed under component 1 and 2

efficient use of natural management is implemented by beneficiaries	Capacity building for production will focus on the promotion of water conservation practices and water use efficiency REGEP exclusion list include any activities using non-renewable ground water resources (fossil reserve including Disi Aquifer (Ram Aquifer), Amman-Wadi Sir Aquifer, Kurnub Sandstone Aquifer) and Any activities using underground water from illegal or not licensed well Grant selection process will evaluate proposal based on water infrastructure capacity, refill potential from rain and field size and efficient crops selection and improved water need/consumption/cost/productive monitoring. Enviromental risk screening process for Loans proposal includes review impact of investment on water resources Specific technical assistance will be recruited to support programme monitor and assess water use, consumption and saved through the grants.	available to beneficiaries	Water consumption and productivity monitoring tool			
Production of living natural resources Support to the horticulture value chain through cultivation of	Same as mentioned above, programme will provide capacity building in climate resilient agricultural practices and include the promotion of local varieties	Training sessions	Training attendance Training curriculum	Continuous	Selected implementing partner for production capacity building	Cost mainstreamed under component 1 and 2

annual and perennial crops						
Involvement of agrochemicals including pesticide and fertilizer for the horticulture production	No procurement of pesticides under grants windows Encourage soil analysis to determine baseline conditions and specific needs Capacity building activities and demo plots focus on practices for better soil and water conservation including the use of organic and self-produced fertilizer, compost, integrated pest management, improved water treatment and soil cover techniques. For training and demonstration purposes, replace commonly used pesticides such as Carbendazim and Coragen with alternatives listed in the low-risk, non-HHP category (see appendix 1) Support maximum level residue testing and when relevant certification obtention support Exclusion list applying to the loan's proposal	Training sessions Exclusion lists Loans and grants focus and selection procedure available to beneficiaries	Soil testing and fertility monitoring Productivity and economical return monitoring to measure benefice of application of organic and agroecological practices Training attendance Selection criteria for grants application Loans Environmental screening review	Continuous	Selected implementing partner and environmental consultant for support on assessment tools development and monitoring	Cost mainstreamed under component 1 and 2

Financial intermediaries Selected Banks with limited environment and social policy, procedure Loans used in activities that do not adhere to SECAP principles	PMU to finalise the ESAPs in consultation with ACC and CBJ. ACC and CBJ to implement ESAP (appendix 3) PFI to elaborate and/or enhance and apply environmental and social due diligence to loans selection procedure with differential review approach according to type, amount, and scope of loans Exclusion list for programmes to be systematically applied by financials partners financed through the loans.	During agreements preparation between JEDCO and ACC and JEDCO and CBJ	Exclusion lists ESAP	Baseline continuous	PMU component 2 manager, SECAP consultants, ACC and CBJ	Budget mainstreamed in sub component 2.2
Climate risks Increased vulnerability to climate change impacts (rising temperatures, drought, water scarcity, flood, change and decrease of rain fall patters and increase in frequent extreme weather events)	Most of the recommendations are included in the environmental risks section: - Grants application to be evaluated again climate identified risk - Diffusion of adaption practices thought production training -Investment in water harvesting, water saving irrigation technologies, protected agriculture (greenhouse) and solar energy infrastructure -Sensitization and participatory analysis of the effects of climate variability and hazard on productive activities and other livelihoods of households -Improved income diversification through processing activities	Training sessions, need assessments	Monitoring and documentation with farmers of socioeconomic adaptation measure benefits of the application of the promoted practices and received assets to strengthen the evidence base and learning for further scaling up.	Baseline, midline, endline for outcome results Plus, continuous monitoring of the benefits of grants and promoted practices	Selected implementing partners	Mainstreamed in programme budget

	Support micro entrepreneurship in businesses increasing food security and requiring minimal land and water resources					
Social risks						
Unsafe and hazardous labour conditions in agriculture and rural enterprises.	The programme will sensitize rural producers and entrepreneurs on the importance that they comply with national legislation on labor conditions and OSH standards when hiring workers. This will be considered as a condition to access programme's support, including loans under component 2. Risk of child labor in agriculture will be mitigated through the implementation of dedicated awareness-raising activities on the impact of labour on children and on the provisions of the law during training activities. REGEP UP will also replicate the experience of REGEP, which has promoted a safe work environment in home-based micro-enterprises, mostly dominated by women. This included the provision of training and financial resources to ensure a clean, hygienic and safe working environment.	Training sessions producers and processors.	Training and supervision reports. Training modules.	Continuous	PMU focal persons and implementing partners.	Embedded in budget for component 1.
GBV, including intimate partner violence and sexual harassment.	Social norms dialogue sessions and male engagement strategies will be implemented to address negative norms and harmful practices affecting and disempowering women and girls.	Training sessions GBV reporting mechanisms implemented	Programme's training and supervision reports. Training modules on gender and GBV.	Continuous	PMU gender focal point and implementing partners.	Embedded in budget for sub-component 1.1.

	Producers and entrepreneurs will be sensitized on risk of sexual harassment of women workers and measures to prevent it. Awareness raising on GBV will be carried by REGEF-UP implementing partners.	by service providers				
Exposure to agro-chemicals (including water pollution)	This risk will be mitigated through the delivery of training and sensitization on the negative health impact of pesticides. This will be embedded in the training curriculum for climate resilient agriculture, which is a core component of the programme.	Training sessions	Training curriculum. Training and supervision reports.	Continuous	PMU focal point and implementing partners.	Embedded in budget for sub-component 1.1.

Appendix 1: Low-Risk and Non-HHP Pesticide Alternatives for Horticulture in Jordan and good practice and mitigation of risks associated with the use of fertilizers and pesticides

Appendix 2: Micro and Matching Grants SECAP checklist for implementing partners

Appendix 3: ESAP for ACC and CBJ

Appendix 4: IFAD's exclusion List

Appendix 5: REGEP UP exclusion list

Annex 5.2: Grievance mechanism

Annex 5.3 : Stakeholder engagement plan

Appendix 1: Low-Risk and Non-HHP Pesticide Alternatives for Horticulture in Jordan and Good practice and mitigation of risks associated with the use of fertilizers and pesticides.

This table outlines safe and export-compliant pesticide alternatives suitable for horticultural crops in Jordan. These products are aligned with the **Good Agricultural Practices (GAP)** compliance, the Integrated Pest Management (IPM) principles and are free from Highly Hazardous Pesticides (HHPs).

Purpose	Alternative Product	Active Ingredient	Mode of Action	Target Pests/Diseases
Bio-fungicide	Tichoderma-based (e.g. Trianum, Rootshield)	Trichoderma harzianum	Antagonistic fungi (soil/root pathogen control)	Root rot, Pythium, Fusarium
Insecticide	Neem Oil (e.g. NeemAzal)	Azadirachtin (from neem seed)	Repellent, antifeedant, growth regulator	Whiteflies, aphids, leafminers, mites
Insecticide	Spinosad (e.g. Success, Entrust)	Spinosyn A and D	Nerve action (low mammalian toxicity)	Thrips, leaf miners, caterpillars
Miticide/Insecticide	Mineral oils (paraffin-based)	Refined mineral oil	Physical suffocation	Mites, whiteflies, scale insects
Bio-insecticide	Bacillus thuringiensis (Bt)	B. thuringiensis kurstaki (Btk)	Toxin to caterpillar larvae	Tuta absoluta, armyworms, cabbage worms
Fungicide	Bacillus subtilis (e.g. Serenade)	B. subtilis QST 713 strain	Inhibits fungal growth (biocontrol)	Powdery mildew, Botrytis, blights
Copper replacement	Potassium bicarbonate (e.g. MilStop)	Food-grade bicarbonate	Contact fungicide, osmotic pressure	Powdery mildew, leaf spots
Growth promoter	Amino acid biostimulants	L-arginine, glutamic acid, glycine	Stimulate plant stress tolerance & recovery	Improves resistance to pests & drought

Assessment and mitigation of risk Careful selection of the type of pesticide and fertilizer and management of their use (timing, dosage, mode of application, etc.) can reduce to acceptable levels the environmental risks they pose, while providing the needed benefits for increased crop and animal production. IFAD should promote safe pesticide and fertilizer use by ensuring that all projects include the correct investments and capacity-building activities for the selection, distribution, storage, application and disposal of pesticides and fertilizers.

Efforts should be in place to avoid the release of pollutants, where feasible, or minimize and control the intensity, concentration, and mass flow of their release, including routine, non-routine and accidental releases. In addition, avoid the generation of hazardous and non-hazardous wastes, where feasible, or minimize waste generation and reuse, recycle and recover waste in a safe environment, with environmentally sound waste treatments and disposal.

The table below identifies mitigation measures and capacity-building actions to address the risks of using pesticides and fertilizers.

Table 42: Mitigation measures and capacity-building actions to address the risks

Potential project activity	Proposed mitigation measure to be taken and included in the detailed project-related costs

Business support services	
Will the project provide financing or short-term credit to agro-dealers to expand their business?	No
Will the project provide financing or short-term credit to private service providers who will provide spraying services to households?	No
Household use	
Will the project provide financing or short-term credit that can be used fully, or partly, for pesticide and fertilizer purchase by households?	As part of the capacity building and demo plots: training should be provided on the correct household storage, handling and use of pesticides. Training should be provided on minimizing use of pesticides that damage non-target species or the natural environment or contribute to the development of resistance in pests and vectors. Training should be provided on the correct disposal of left-over chemicals and pesticide containers. Training should be provided on the correct use, calibration and cleaning of spraying equipment. Training should be provided on the use and care of protective clothing (face masks, gloves, boots, etc.).
Extension services	
Will the project promote training of extension providers and provision of extension services on pesticide use?	Training on integrated pest management (IPM) should be promoted to develop approaches that minimize pesticide applications. Demo plots can be supported to do this. Training should be provided on efficient use of energy, water and other resources and material inputs.
Will the project promote training on fertilizer application of extension providers and provision of extension services on fertilizer handling, use, and storage?	The project should provide training on utilisation of organic fertilisers to minimise chemical fertiliser applications. Demo plots can be supported to do this. The project will provide training to how to determine the correct type and amount of fertilizer to suit soil conditions, crop and crop growth stage. The project should provide training on microdosing to reduce leaching through small and/or split applications and precise fertilizer placement. The project should provide training on fertilizer handling and storage.
Post-harvest storage	
Will the project promote post-harvest use of pesticides for storage of grains, roots, tubers, fruits and vegetables at household level?	Training should be provided on the correct household storage, handling and use of storage pesticides. Training should be provided on the correct disposal of left-over chemicals and pesticide containers.

	Training should be provided on the use and care of protective clothing (face masks, gloves, boots, etc.).
Will post-harvest treatment require the use of fumigation?	Training should be provided on the correct household storage, handling and use of fumigation pesticides. Training should be provided on the correct disposal of fumigation containers. Training should be provided on the use and care of protective clothing (face masks, gloves, boots, etc.).

Appendix 2: SECAP Checklist for construction work financed by REGEF UP micro and matching grants

Indicator	1	2	3	4	5	6
Beneficiary Name:						
Programme Type:						
Location:						
The grantee is well aware of the needed permits , licenses and screenings in relation to the grant contract.						
The commencement of grant execution starts(ed) only after required permits, licenses and screenings are obtained .						
The grantee is well aware of its legal and contractual entitlements and indemnities against risks of defective design, defective material and defective workmanship.						
The site where the grant is being executed is fully owned by the grantee (or has legal title to use it) and is not a cultural heritage site.						
The appointed contractor or supplier does not engage in child or forced labor and exercises fair labor practices: - Fair wages - Working shifts - Overtime compensation - Working hours - Gender balance - Non-discriminatory hiring	-	-	-	-	-	-
The works on site involve no child or forced labor .						
Labor on site have access to temporary sanitation facilities .						

Indicator	1	2	3	4	5	6
Labor on site are offered requisite health and hygiene conditions and safety tools and gear (PPE).						
Labor on site engage in safe construction practices.						
Labor and third parties on site or adjacent properties have easy access to emergency medical kits .						
Labor and third-party persons on site are aware of standards concerning respect , avoidance of harassment and abuse, etc.						
The works on site do not feature any unsafe or hazardous practices to grantee, grantee family, labor, neighbors and other third parties.						
The works on site are designed and executed so as not to pose threat, hazard or danger to any person, to on-site facilities, to public spaces, to neighbor facilities or their property.						
Works and installations are being executed with minimal (if at all) disruption to natural habitat, environment, vegetation, biodiversity, and ecology.						
Fuel and hazardous materials (e.g., paints, solvents) are stored and handled safely to prevent spills and leaks .						
The construction area is fenced and unauthorized access is restricted.						
There is a plan for managing traffic and access to the site during construction to minimize disruption to local communities.						
Construction activities are confined to the designated programme area.						

Indicator	1	2	3	4	5	6
Works including transportation or movement of machinery do not pose any threat to roads and public spaces or to third parties or their properties.						
Construction materials are being sourced sustainably (e.g., from certified sources, with minimal transport distances, locally produced material).						
Works on site adopt, to the extent possible, locally established construction methods and practices.						
Works on site capitalize on labor intensive methods.						
Any damage to roads, public spaces or third-party properties is sufficiently compensated or corrected as is applicable.						
Any injury (to any person) caused by grant execution is promptly treated and sufficiently compensated.						
Construction works do not interfere with existing livestock on site.						
Livestock on site has temporary shelter .						
Construction/installation waste is minimized , separated and disposed of in dedicated sanitary or government appointed landfills or treatment facilities.						
Construction waste is far from animal areas, water sources, and neighbor facilities.						
Topsoil that is being stripped is stored for later use in site restoration .						
Greenhouse structures and material are durable and weather resistant.						
Irrigation systems have no leakage and don't waste water.						

Indicator	1	2	3	4	5	6
The final works and installations are so executed as to have no negative impact on natural habitat, environment, vegetation, biodiversity, and ecology (consider emissions and production of pollutants, impact on ground water and surface water, impact on soil and vegetation, etc.)						
The final works are resilient to climate change impacts (severe weather).						
The grant does not include use or production of hazardous substances and chemicals.						
The grant execution and operation involve acceptable waste management practices (e.g. handling and treating refuse, waste generated, agricultural waste, etc.).						
There is a reasonable level of recycling and reuse if applicable.						
Payment to appointed contractor/supplier by grantee follows acceptable milestones and frequency.						
Payment by contractor/supplier to their labor on site follow acceptable milestones and frequency.						
PIU staff (in site visits and interviews) verify the occurrence of any accident on site and ensure the suitable handling of the same in line with national legislation.						
PIU staff (in site visits and site interviews) verify the absence of complaints/grievances or their suitable redress.						
Grantees, contractor/supplier labor, and third parties have easy access to a grievance or complaint system .						
Other findings: ...						

Indicator	1	2	3	4	5	6

Appendix 3: Draft environmental and social action plan

Draft ESAP FOR ACC

	Due Diligence Criteria	Status (guiding questions)	Actions Required	Responsibility	Timeframe (to be determined by ACC and REGEF UP upon finalization of the ESAP and agreement signature)
1.	ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM				
1.0	Establish and maintain environmental and social management system	There is no structured ESMS in place. ACC apply the national legislations and rules which followed as principles	- ESMS to be developed under the TA provided by subcomponent 2.2. - ACC to develop formalized procedure for E&S screening of loan applicants; enhance E&S specifications within grant agreements; and assigns, trains E&S focal point to monitor ES performance - Develop a manual documenting the developed ESMS	ACC and REGEF UP managers	
1.1	E&S policy	ACC last developed a strategy for 2018- 2022 outlining its long-term approach in the agri-business. This strategy and its action plan including adopted KPIs did not address clear E&S	Policy to be develop and publicly available upon request and displayed in the ACC branches	ACC Manager with support of REGEF UP TA	

		issues and concerns, except those related to enhancing water efficiency and reducing poverty by creating job opportunities. There is a division in charge of risks management with a work plan which elaborate on the main objective of the division. The document is not publicly available, and the mission was not able to consult it.			
1.2	Governance policies	The ACC is currently managed by a Board of Directors which is chaired by the Minister of Agriculture. It includes 15 directorates and 3 regional management offices (north, middle and south) that has 25 branches			
1.3	Internal organizational capacity and competency	ACC has no specialized or dedicated E&S in-house capacity A new risk directorate was created in 2021 and covers financial, credit change, environmental and social related risks management. The unit is however yet to be staffed and the linkages between different departments responsible for risks is not very clear.	Assign one staff to the risk unit for E&S risk and provide him/her with training to be able to perform risk screening and monitor portfolio performance Develop an organizational chart including role and responsibility	ACC managing committee	

1.4	E&S Risk Assessment for loan applications	ACC has technical staff that review loan applications and provide advice to applicants on technical aspects and feasibility. Loan approval processes also require confirmation that appropriate environmental permits are in place. Risks are assessed partially by loans officer during field visit prior and after loans is granted However, the credit loans program does not have clear environmental and social risk screening criteria.	- With REGEF UP and ongoing WB programmatic support, ACC to develop formalized procedure for E&S screening of loan applicants including screening checklist to identify E&S risks and impacts of investments - Screening checklist to align with IFAD SECAP standards. Risks to be assessed against key E&S criteria (namely: labour and working conditions, resource efficiency and pollution prevention, community health safety and security, land acquisition, biodiversity, indigenous people, cultural heritage, climate change, water, and legal compliance). - Assess capacity of PFIs if selected by ACC to manage risks and impacts, and monitor performance of on-lendees, in line and IFAD ESG requirements. - PFIs to develop their own checklists to assess capacity of borrower to implement investments and manage risks and impacts in line with IFAD ESG requirements. - enhance E&S specifications within grant agreements (including adherence to appropriate technologies),.	REGEF UP TA service provider, REGEF SECAP consultant, REGEF rural finance manager	
1.5	Categorization of risk for portfolio programmes	ACC does not routinely monitor operations unless there are material incidents reported that affect loan repayment. Risk categorization is currently being developed	- Finalize the elaboration of risk categories and submit to REGEF UP for review - As the programme is a moderate risk programme, any loan applications with risks higher than moderate risk will be ineligible	ACC risk unit with the support of TA service provider if needed.	
1.6	Compliance with the national ESHS laws and regulations, IFAD's SECAP	In various documents, reference made to compliance with national laws, policies and	ACC to prepare legal register indicating relevant national laws and regulations, international	ACC legal officer	

	as well as with international conventions and treaties.	international best practice. However, these are not listed and permitting requirements are not identified.	- conventions / treaties, and IFAD's SECAP requirements as relevant to REGEP UP operations. Include also permitting requirements.		
1.7	Compliance with the Exclusion list	No exclusion list available	- ACC to use IFAD and REGEP UP exclusion list for REGEP UP financed loans	ACC Manager for REGEP UP	
1.8	High and substantial risk programmes	Yes, but data not available	- As per Exceptions list for REGEP any high or substantial risk programmes cannot be considered for funding based on IFAD's categorization of funding the REGEP UP.		
1.9	Safeguards documentation: Risk management plans	Not available	- Risk management plans to be conducted/prepared by loan officer or loans beneficiaries depending on financial agreement. Clear requirements can be indicated in the loans screening procedure. Although this might be rare in light of the amount to be provided (micro loans)	Loan officer and borrower	
1.10	Carbon balance analysis	No	- REGEP UP portfolio investments to be categorized by activity type for monitoring purposed and portfolio analysis. - Carbon analysis will be done by REGEP UP with the support of Ifad	ACC manager, REGEP up rural finance officer, IFAD	
1.11	Monitoring and review of performance of portfolio investments		- ACC will submit regular consolidated reports to the PMU on the credit line performance, disbursement progress, portfolio quality, loan focus, and key indicators, including sex- and age-disaggregated data and geographic/subsector outreach. - To do so ACC will establish procedures for monitoring and review of portfolio investments to assess performance - ACC to nominated REGEP UP loans M&E officer	ACC manager	

1.13	Review of ESMS		-Review of ACC ESMS to include improvements once a years.	ACC Manager	
1.15	Management of working conditions		- ACC to develop labour management policy specifying adherence to core ILO conventions (mainly to prohibit forced labour and child labour, freedom of association and fair wages.	ACC Manager	
1.16	Record keeping/ maintenance of documentation		- Ensure all records are maintained for the development of the ESMS, procedures and plans, consultations/ engagement, complaints/ grievances,	ACC Manager	
1.17	Stakeholder Engagement		- Preparation of SEP and Communication	-ACC manager	
1.18	Grievance Redress Mechanisms	They are 25 ACC branches where it is possible for client to reach out. Online website has a dedicated section for complains and one employee is in charge of replies and recording	- GRM process to be clarified formally with indication of grievance registration procedures, responsibilities for action, timelines for communication and resolution, and avenues for escalation to higher levels if necessary	- ACC manager	
1.21	Reporting		- ACC to report to REGEP UP on quarterly basis.	- ACC manager	
2	CAPACITY TO MANAGE ENVIRONMENTAL SOCIAL AND CLIMATE RISKS AND IMPACTS				
2.1	Recruitment of i) environmental, ii) social and iii) climate risk specialists	ACC staff regarding ESC risk is not clear as the risk unit is still to be staffed	- ACC to engage the recruitment of its risk unit and include specialists to assess risk and advise on management of specific environmental social and climate issues - Sub component 2.2 of REGEP may provide relevant training to staff on E&S aspects	- ACC manager	
2.2	Training of onlendees	ACC staff are unlikely to have capacity to manage ESC risks and impacts	- REGEP UP TA to provide training for them to manage ESC risks and impacts	- REGEP UP through TA	

Draft ESAP FOR CBJ

	Due Diligence Criteria	Status (guiding questions)	Actions Required	Responsibility	Timeframe (to be determined by CBJ and REGEF UP upon finalization of the ESAP and agreement signature)
1.	ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM				
1.0	Establish and maintain environmental and social management system	CBJ, as a regulatory body, does not directly manage credit portfolios, and while it may issue general compliance guidance to financial intermediaries, there is no evidence of an internal ESMS. This is due to the fact CBJ does not have a specific mandate for environmental or social safeguards, and current financial regulations do not explicitly require environmental risk assessments for credit schemes	CBJ will be responsible for : - assessing the selected PFIs ESMS -Ensuring PFIs ESMS are aligned with IFAD's safeguard standards and includes a commensurate screening and risks categorization process, -Screening the selected loans against the exclusion lists -Through its steering committee Review and validate the loans risk categories as of the final loans' approval -Monitor the performance of the PFIs and especially that the management of environmental and social risks associated with loan operations is implemented.	CBJ focal point with TA under subcomponent 2.2 Selected PFIs	
1.1	E&S policy	The bank has initiated steps toward financial inclusion and green finance, through the elaboration of a green finance strategy (2023-2028) with the objectives to better manage climate and environmental risks and increase mobilization to green finance. CBJ has also joined the Network for Greening	Policy may be updated to include further social risk	CBJ	

		the Financial System (NGFS) in 2022			
1.2	Governance policies	Yes. But to note CBJ, as a regulatory body, does not directly manage credit portfolios,			
1.3	Internal organizational capacity and competency	CBJ does not appear to employ personnel specifically qualified to manage environmental or social risks, although it maintains supervisory authority over Jordan's financial sector. Its capacity to monitor E&S risks at the programme level is thus indirect and limited. However its vision for green finance 2023 – 2028 foresees the establishment of a climate change risk division and green finance division	CBJ will constitute a Credit Committee to review and approve loan applications from PFIs under the SME credit line of REGEF UP. This committee shall include one E&S staff to review if E&S appropriate due diligence was done by the PFI before approving loan. The E&S staff shall be trained to be able to perform risk screening and monitor portfolio performance	CBJ manager for REGEF UP	
1.4	E&S due diligence processes	CBJ, as a regulatory body, does not directly manage credit portfolios, and therefore it does not have environmental and social risk screening criteria	CBJ to assess environmental and Social management system of PFI as part of the selection process and assess if it is commensurate with the risk level of the type of loans to be manage. If Environmental and social management system is not at level, CBJ to ensure selected PFIs develop and apply environmental and social safeguards to loan selection procedure As the loan final approval entity, CBJ shall develop a Screening checklist for REGEF UP loans which align with IFAD SECAP standards. Risks to be assessed against key E&S criteria (namely: labour and working conditions, resource efficiency and pollution prevention, community health safety and security, land acquisition, biodiversity, indigenous people, cultural heritage, climate	CBJ focal point for REGEF UP with TA under subcomponent 2.2	

			change, water, and legal compliance).		
1.5	Categorization of risk for portfolio programmes	N/A	- CBJ will ensure all PFIs have a categorization of risk for portfolio programme	CBJ focal point for REGEP UP with TA under subcomponent 2.2	
1.6	Compliance with the national ESHS laws and regulations, IFAD's SECAP as well as with international conventions and treaties.	In various documents, reference made to compliance with national laws, policies and international best practice. Listed and permitting requirements are identified Aims to be the supervisor guidance for identifying assessing monitoring and managing climate relates risk			
1.7	Compliance with the Exclusion list	No existence of Exclusion list	- CBJ to use IFAD and REGEP UP exclusion list for REGEP UP financed loans	CBJ focal point for REGEP UP with TA under subcomponent 2.2	
1.8	High and substantial risk programmes	N/A	- As per Exceptions list for REGEP any high or substantial risk programmes cannot be considered for funding based on IFAD's categorization of funding the REGEP UP.	CBJ committee for REGEP UP	
1.9	Safeguards documentation: Risk management plans	No available publicly	- ESIA's, ESCMP's, RAP's to be conducted/prepared by PFI loan officer.	PFIs	
1.10	Carbon balance analysis	N/A	- REGEP UP portfolio investments to be categorized by activity type for monitoring purposed and portfolio analysis. - Carbon analysis will be done by REGEP UP with the support of Ifad	REGEP UP with IFAD	
1.11	Monitoring and review of performance of portfolio investments	N/A	- CBJ will submit regular consolidated reports to the PMU on the credit line performance, disbursement progress, portfolio quality, loan focus, and key indicators, including sex- and age-disaggregated data and geographic/subsector outreach. To do so CBJ will establish procedures for monitoring and	CBJ focal point for REGEP	

			review of portfolio investments to assess performance - CBJ to nominated REGEP UP loans M&E officer		
1.13	Review of ESMS	N/A	-Review of CBJ ESMS for REGEP UP to include improvements once a year	CBJ focal point for REGEP	
1.15	Management of working conditions		- CBJ to ensure PFIs comply with labor management policy specifying adherence to core ILO conventions (mainly to prohibit forced labour and child labour, freedom of association and fair wages.	CBJ focal point for REGEP with PFIs	
1.16	Record keeping/ maintenance of documentation		- Ensure PFI records are maintained for the development of the ESMS, procedures and plans, consultations/ engagement, complaints/ grievances,	CBJ focal point for REGEP with PFIs	
1.17	Stakeholder Engagement	N/A	- CBJ to ensure PFIs develop SEP	CBJ focal point for REGEP with PFIs	
1.18	Grievance Redress Mechanisms	N/A	-CBJ to review PFIs level of GRM and ensure proper channel of communications are established between borrower and PFIs	CBJ focal point for REGEP with PFIs	
1.21	Reporting	N/A	- CBJ to report to REGEP UP on quarterly basis.	CBJ focal point for REGEP	
2	CAPACITY TO MANAGE ENVIRONMENTAL SOCIAL AND CLIMATE RISKS AND IMPACTS				
2.1	Recruitment of i) environmental, ii) social and iii) climate risk specialists	Staff with competencies to manage have been recruited recently however CBJ does not appear to employ personnel specifically qualified to manage environmental or social risks,	- CBJ to consider engaging staff for environmental social and climate issues Sub-component 2.2 of REGEP may provide relevant training to staff on E&S aspects	CBJ management	
2.2	Training of onlendees	PFI staff are unlikely to have capacity to manage ESC risks and impacts	- CBJ to assess staff level of selected PFIs- REGEP UP TA to provide training for them to manage ESC risks and impacts	CBJ focal point for REGEP with PFIs	

Appendix 4: IFAD environmental and social exclusion list

IFAD will not knowingly finance, directly or indirectly, programmes involving the following:

- (i) Production or activities involving harmful or exploitative forms of forced labour,¹ or practices which prevent employees from lawfully exercising their rights of association and collective bargaining;
- (ii) Production or activities involving harmful or exploitative forms of child labour;²
- (iii) Production or trade in weapons and munitions;³
- (iv) Production or activities that impinge on the lands owned, or claimed under adjudication, by indigenous peoples, without full documented consent of such peoples;
- (v) Activities prohibited by host-country legislation or international conventions relating to the protection of biodiversity resources, cultural heritage or other legally protected areas;⁴
- (vi) The production, trade in or use of any product or activity deemed illegal under host country (i.e. national) laws or regulations, international conventions and agreements, or subject to international phase-out or bans, such as:
 - (a) Products containing polychlorinated biphenyls (PCBs);
 - (b) Pharmaceuticals, pesticides, herbicides and other hazardous substances subject to international phase-outs or bans;⁵
 - (c) Ozone-depleting substances subject to international phase-outs regulated by the Montreal Protocol;⁶
 - (d) Wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES);⁷ and
 - (e) Transboundary trade in waste or waste products as defined by the Basel Convention;⁸
- (vii) Commercial logging operations or the purchase of logging equipment for use in primary tropical moist forests or old-growth forests;
- (viii) Production or trade in wood or other forestry products other than from sustainably managed forests;
- (ix) Production or trade in alcoholic beverages (excluding beer and wine), tobacco or drugs;
- (x) Marine and coastal fishing practices such as blast fishing, large-scale pelagic drift net fishing using nets in excess of 2.5 km in length or fine mesh net fishing harmful to vulnerable and protected species in large numbers and damaging to marine biodiversity and habitats;
- (xi) Trade in goods without required export or import licenses or other evidence of authorization of transit from the relevant countries of export, import and, if applicable, transit;
- (xii) Production of, trade in or use of unbounded asbestos fibres;

- (xiii) All mining, mineral processing and extraction activities;
- (xiv) Production or trade in radioactive materials;⁹
- (xv) Gambling, casinos and equivalent enterprises, trade related to pornography or prostitution;
- (xvi) Contribute to money laundering, terrorism financing, tax avoidance, tax fraud and tax evasion;
- (xvii) Production and distribution, or investment in media that are racist, antidemocratic or that advocate discrimination against an individual, group or part of the population;
- (xviii) Activities prohibited by host country legislation or other legally binding agreements regarding genetically modified organisms (GMOs);
- (xix) Production of or trade in palm oil unless from growers and companies with internationally recognised certification¹⁰, or undergoing certification¹¹
- (xx) Production of soy in the Amazon region or trade in soy produced in the Amazon region, unless from growers with internationally recognised certification¹²

¹ Forced labour is work exacted under the threat of penalty and for which the worker has not offered himself or herself voluntarily. It can involve threats of dismissal or physical violence, the withholding of identity documents or wages, threats to denounce workers to immigration authorities and entangling workers in fraudulent debt.

² Child labour includes: (i) labour below the host country's minimum age of employment; and (ii) any other work that may be hazardous, may interfere with a child's education, or may be harmful to a child's health or physical, mental, spiritual, moral or social development. If national laws or regulations provide for employment of children at least 16 years (in line with ILO's 1973 Minimum Age Convention), on the condition that their health, safety and morals are fully protected, and they have received adequate instruction or vocational training in the relevant branch of activity, then child labour means employing children for work that does not comply with these laws and regulations.

³ This does not apply to programme sponsors who are not substantially involved in these activities. "Not substantially involved" means that the activity concerned is ancillary to a programme sponsor's primary operations.

⁴ Relevant international conventions include the: Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention); Convention on Wetlands of International Importance, especially as Waterfowl Habitat (Ramsar Convention); Convention on the Conservation of European Wildlife and Natural Habitats (Bern Convention); World Heritage Convention; and Convention on Biological Diversity.

⁵ Relevant international conventions include the: United Nations Consolidated List of Products whose Consumption and/or Sale have been Banned, Withdrawn, Severely Restricted or not Approved by Governments; Convention on the Prior Informed Consent Procedures for Certain Hazardous Chemicals and Pesticides in International Trade (Rotterdam Convention); Stockholm Convention on Persistent Organic Pollutants; and WHO Classification of Pesticides by Hazard. A list of pesticides, herbicides and other hazardous substances subject to phase outs or bans is available at <http://www.pic.int>.

⁶ A list of the chemical compounds regulated by the Montreal Protocol, together with details of signatory countries and phase-out target dates, is available from [UNEP](http://www.unep.org).

⁷ A list of CITES species is available from the [CITES secretariat](http://www.cites.org).

⁸ See <http://www.basel.int>.

Appendix 5: REGEF UP environmental and social exclusion list (apply in addition to IFAD exclusion list)

Any grants or loans that meets one or more of the following screening criteria will not be approved for financing under the programme:

1. Scope of civil works

- Construction or rehabilitation of Rural roads (AADT between 400-1000)
- Construction of small-scale irrigation schemes rehabilitation/development above 300ha
- New construction, rehabilitation or upgrade of medium dams/reservoirs (between 10-14-metre-high wall, and/or with a reservoir of between 100,000-3 million m3);
- Any small reservoir construction with high wall larger than 9 metre, and/or with a reservoir of 100,000 cubic meter, or above)
- Development of a large-scale agro-processing facility;
- Aquaculture or mariculture of 25 to 49 hectares on one site;
- Construction or operation causing an increase in traffic on rural roads;

2. Water resources:

- Any activities using non-renewable ground water resources (fossil reserve including Disi Aquifer (Ram Aquifer), Amman-Wadi Sir Aquifer, Kurnub Sandstone Aquifer)
- Any activities using underground water from illegal or not licensed well

3. Land impacts & Resettlement

- Economic or physical displacement (e.g. land, potable water, water for other uses), or physical resettlement of 20-100 households or businesses, or a 10 to 15 per cent reduction in a farmer's or community's assets.
- Any sub-programme that physically displaces any EM household or dilutes/changes their security of tenure
- Activities that result in a) restriction of resources access that could not be mitigated, and/or b) adverse impacts on the livelihoods of households that are of ethnic minority group, or household that are considered vulnerable/disadvantaged groups.
- Use of the programme as an incentive and/or a tool to support and/or implement involuntary resettlement of local people and village consolidation.
- New settlements or expansion of existing settlements.
- Activities that would likely create adverse impacts on ethnic groups within the village and/or in neighboring villages, or activities unacceptable to ethnic groups living in an ethnic homogenous village or a village of mixed ethnic composition.

4. Cultural heritages

- Damage or loss to cultural property, including sites having archeological (prehistoric), paleontological, historical, religious, cultural and unique natural values.

5. Chemical use

- Purchase of banned pesticides, insecticides, herbicides and other unbanned pesticides, unbanned insecticides and unbanned herbicides and dangerous chemicals exceeding the amount required to treat efficiently the infected area. However, if pest invasion occurs, the use of small amounts of eligible and registered pesticides in Jordan will be allowed if supplemented by additional training of farmers to ensure pesticide safe uses in line with IFAD policies and procedures.

- Highly Hazardous Pesticides (HHP) will not be used by the programme.
- Activities that involve use of hazardous materials (including asbestos) or any banned chemicals.

6. Biodiversity and natural resources

- Purchase of destructive farming gear and other investments that are detrimental to the environment and biodiversity.
- Unsustainable exploitation of natural resources.
- Introduction of non-native species, unless these are already present in the vicinity or known from similar settings to be non-invasive.
- Significant conversion or degradation of natural habitat or where the conservation and/or environmental gains do not clearly outweigh any potential losses.
- Production or trade in any product or activity deemed illegal under Jordans or regulations or international conventions and agreements, or subject to international bans.
- Trade in any products with businesses engaged in exploitative environmental or social behavior.
- Activities which require clearing of natural habitats
- Activities which are taking place in or around protected areas, or areas considered for future protection.

Annex 5.2 Grievance Redress Mechanisms

1. Introduction

Grievance redress mechanism (GRM) provides communities an avenue for reporting complaints about programmes and achieving remedies efficiently and effectively is a process for receiving, evaluating and addressing programme related concerns of, and complaints by, programme affected communities or persons. IFAD's Grievance Redress Mechanism allows affected complainants to have their concerns resolved in a fair and timely manner through an independent process. IFAD's GRM requires i) working proactively with the affected parties to resolve complaints; ii) ensuring that the complaints procedure is responsive and operates effectively; and iii) maintaining records of all complaints and their resolutions. Under REGEP-UP, potential adverse environmental, social, or economic impacts, also including potential negative impact on women and more vulnerable groups have already been identified as part of the risk analysis and will be addressed through the GRM system. Existing GRM mechanisms, operated by implementing partners will also be leveraged by the programme

2. IFAD's GRM procedures

The programme will follow IFAD's Complaints Procedure which ensures that appropriate mechanisms are in place to allow individuals and communities to file a complaint if they believe they are or might be adversely affected by an IFAD-funded programme/programme not complying with IFAD's Social and Environmental Policies and mandatory aspects of SECAP.

IFAD requires all borrowers/recipients/partners/vendors/contractors to establish an easily accessible programme-level grievance redress mechanism to receive and resolve concerns and complaints of people who believe they have been, or are likely to be, harmed by IFAD-financed programmes/programmes. NGOs and implementing partners, such as the Jordan River Foundation, that will be responsible for the implementation of specific activities under REGEP-UP, have established their own GRM. This means that REGEP-UP will combine a two tier GRM system. Moreover, if the lead agency JEDCO is not responsive to stakeholders' concerns, or if they fear retaliation, stakeholders may also raise their concerns directly to IFAD.

IFAD also has a policy to preventing and responding to sexual harassment, sexual exploitation and abuse^[1]. The policy applies to IFAD staff, and also applies to borrowers and recipients of IFAD funding, as well as third parties contracted using IFAD's funding such as consultants, contractors and vendors. To support implementing partners, the IFAD Ethics Office has published a Guide for Borrowers and Recipients of IFAD funding for preventing and responding to sexual harassment, sexual exploitation, and abuse^[2].

IFAD's anticorruption policy establishes zero-tolerance towards prohibited practices, such as fraud and corruption, in IFAD-funded or managed operations and activities. IFAD's legal framework requires IFAD staff, consultants and programme parties to promptly notify IFAD of any allegations of fraud and/or corruption in relation to programme activities. IFAD's Office of Audit and Oversight (AUO) is to be contacted for reporting at Tel: +39 06 54592888 or by email: anticorruption@ifad.org. These are secure and confidential channels managed by the Investigation Section of IFAD.

1. GRM Process

REGEP-UP will feature a two-tier GRM, which also incorporates the GRM mechanisms deployed by implementing partners. However, complainants may also use IFAD's complaint procedure at <https://www.ifad.org/en/accountability-and-complaints-procedures>. Complaints related to sexual harassment, exploitation and abuse can be directed at the IFAD Ethics Office via <https://www.ifad.org/en/ethics>.

The GRM cycle is based on a step-wise process as follows:



The requirements for each of these steps are detailed below.

i) Receive, classify & log

- All potential issues must be captured and classified for escalation, review and action as required. The access points should be as close to the target group as possible. GRM focal points should be appointed among local staff and trained on how to handle complaints.
- Uptake channels should be diverse to ensure accessibility by different target groups. These include:
 - o Phone,
 - o email,
 - o SMS,
 - o webpage,
 - o suggestion boxes
 - o or face-to-face.
- 1. The uptake channels will be publicized during field-level activities especially during the initial information campaign. It is important that verbal complaints are recorded by local staff for them to be considered. Many complaints may be resolved 'on the spot' and informally by local staff but should also be logged in order to encourage responsiveness; The GRM should also have the ability to handle anonymous complaints. Suggestion boxes might be one of the preferential tools to ensure anonymity.

ii) Logging and classifying:

- Any complaint, issue or negative stakeholder interaction (whether this is formally logged by the complainant or not), must be logged and classified for action (Grievance Log).
- The following types of grievance may be distinguished:

Type 1: Queries, comments, and suggestions – This type is non-contentious and merely requests for information/updates, seeks clarification or a response and suggestions to enhance the programme design, improve operations and facilitate administrative/logistical support to the programme.

Type 2: Compliance with programme policies, processes and implementation – This type of grievance results from the non-observance of programme policies or non-performance of obligation of any of the parties involved in programme activities, processes and documents.

Type 3: Serious grievances or complaints – These may include grievances or offenses pertaining to misuse of funds, allegations of corruption, falsification of public documents, sexual harassment and sexual abuse, etc.

During implementation, a GRM document that clarifies procedures involved for each type of grievance (Type 1, Type 2, Type 3) and associated time-limit should be developed. This should cover all steps from acceptance of complaint and notification to complainant to communication of resolution decision. However, it is important that a complain will be solved with 30 working days of receiving it. All Priority 1 complaints must be escalated immediately to the Programme Coordinator.

iii) Acknowledge

- Ensure that every complaint receives a formal written acknowledgement, containing an expectation of when they will receive a response, and the person dealing with it.

iv) Assess & Investigate

- Follow up all aspects of the complaint, both internal and external, to ensure that the key facts are identified and clarified.

- The priority of the complaint will drive the timescale for completion to be defined during implementation.
- All areas of interaction and communication should be established (who, what, where, when, why etc.) and documented where possible.

v) Resolve & Confirm

- Ensure that the final resolution is clear and fair.
- Ensure that the proposed resolution meets corporate guidelines and does not prejudice the programme in any unnecessary legal or financial manner.
- Discuss and review the solution from both the corporate and complainant viewpoint to ensure fairness and clarity.
- The review should include recognition and documentation of any underlying issues that have contributed to the complaint and recommendations for actions to prevent further occurrence.

vi) Respond to Complainant

- Provide the Complainant with the resolution within the timescales promised.
- The details of the findings and proposed resolution should be clearly explained (in written or verbal form as appropriate) to the complainant- within the agreed timescales.
- If this cannot be done on time the Complainant should be contacted by telephone to request further time.

vii) Appeal & Follow

- Ensure that complaints are followed up to confirm that the complainants are satisfied with the response given. If not satisfied the Complainant is advised on the route for Appealing to the Courts of Law, if he is not satisfied.

vii) QA & Close

- Ensure that the programme staff is aware of the complaints and any underlying issues. Plan actions to remove these and prevent future recurrence.

2. GRM institutional mechanisms

During implementation, the institutional arrangements for GRM at PKSf and PO level should be mapped (in the form of a diagram) for clarity and for ease of understanding by all programme staff and consultants.

The SECAP Expert / Consultant at PMU level is assigned as the focal point to oversee the implementation of the GRM in collaboration with the Programme Coordinator, when her/his involvement is deemed to be relevant and other programme's staff. Local GRM focal points will also be appointed by leveraging the existing GRM system implemented by partner NGOs and service providers.

The SECAP consultant, in collaboration with JEDCO staff will operate the GRM system through the following activities/steps:

STEP 1: Ensure information about GRM is disseminated among partner organizations, local authorities and field-level staff. During the process of dissemination (about GRM), the roles and responsibilities of GRM-related programme staff, steps and timeframes involved, how decision is made, who the decision makers are, mediation options, etc. should be clearly communicated. The programme should develop information materials to be distributed in the programme's area with guidance on how the GRM and feedback mechanisms are operated.

STEP 2: Collect, classify and collate grievance records that are received from GRM focal points or directly from the affected person through email, website, or post offices.

STEP 3: Communicate and flag: Type 2 and Type 3 grievances, when needed, to the Programme Director for discussion and remedial action.

STEP 4: Display grievance numbers and resolutions in the PMU office on a public notice board and make this information available for disclosure.

The SECAP consultant will also be responsible for assessing and documenting periodically overall GRM effectiveness in preventing and addressing grievances. GRM summaries will be developed for inclusion in the reporting to IFAD.

IFAD's Grievance and Redress Mechanism shall be fully explained to stakeholders during the programme's start-up workshop and to beneficiaries during the programme's activities. POs will be responsible for sensitizing communities about the GRM system, making sure all target groups are reached and properly informed.

Local NGOs GRM system will be complementary to PMU-level GRM. The key steps of the GRM system at this level are the following:

STEP 1: A designated NGO/service provider officer receives complaints through email, website, courier or post offices.

STEP 2: S/he registers the complaint and prepare a case file.

STEP 3: The appointed GRM focal person is given responsibilities to classifying and communicating the issue with the SECAP Officer. A complain should be solved with 30 working days of receiving it.

^[1] See https://www.ifad.org/documents/38711624/42415556/SEA_e_web.pdf

^[2] See https://www.ifad.org/documents/38711624/42415576/sea_guidelines_e.pdf

Annex 5.3: Stakeholder Engagement Plan

1. Introduction

This Stakeholder Engagement Plan details the stakeholder consultations during the programme design phase. It also establishes a process to ensure stakeholder engagement while implementing the REGEP-UP programme.

The SEP is a tool to ensure that IFAD, JEDCO and the programme's implementing partners provide timely, relevant, understandable and accessible information and consult with all relevant stakeholders in a culturally sensitive and gender/socially inclusive manner. It identifies the main stakeholder groups; evaluates topics of engagements concerning their needs, priorities and ideas; and determines the appropriate way to monitor the effectiveness of stakeholder engagement. The SEP also provides the framework to receive feedback from local stakeholders, particularly the programme's target groups. Feedback from local stakeholders is expected to be regularly used to monitor the delivery of programme interventions and promptly inform adaptation and improvement thereof.

2. Consultations during programme design

During programme design mission in May 2025, consultations were conducted with a range of stakeholders. These include: REGEP beneficiary families, cooperatives and women's associations, value-chain operators, implementing partners (e.g. Jordan River Foundation and NARC), field-workers, banks and micro-credit institutions. In-depth interviews and discussions were conducted with the current and potential target groups, including: women and men FFS participants and beneficiary of water harvesting technologies, drip irrigation, greenhouse and food processing equipment; Women and men beneficiary of microfinance and commercial loans; community-based associations, including women's associations; smallholder farmers with potential to be included in more profitable value-chains;

In addition to consulting potential beneficiaries at the community level, consultations were held with government representatives and other development actors, including donors and local NGO. These included representatives of FAO, the World Bank and the EU; staff from the Ministry of Agriculture, Ministry of Environment and the National Aid Fund etc.

All these stakeholder consultations aimed to gather contributions related to the Programme, which has been incorporated into its design and will be addressed during implementation. They have provided critical inputs into defining measures for climate-smart agriculture, irrigation and water management, value-chain development, rural finance, targeting, gender and social inclusion, nutrition, and general climate-related considerations.

Overall, the design mission considers that JEDCO and its partner organisations have the capacity to engage with local stakeholders and solicit inputs and feedback into programme's activities. Both field workers and programme's staff regularly interact with the target group as part of programme implementation and have effectively leveraged digital instruments, such as WhatsApp groups, to facilitate interaction and service delivery. While continuous and focused engagement with more vulnerable groups (e.g. women and girls, the poorest families and refugees etc.) is a component of REGEP this aspect will be further articulate under REGEP-UP.

3. Engagement with main stakeholders

The main stakeholders for the programme can be classified into 3 groups: the target groups; implementing partners; and different programme's partners including co-financing institutions, such as the Islamic Development Bank and UN-Women, commercial banks; Ministries etc.

Engagement activities with main programme implementers and partners, will be carried out on a regular basis during the course of the programme, through meetings, regular activities and field-missions, including supervision and implementation support.

Once stakeholders are identified and classified according to their characteristics, roles and potential interest and influence in programme activities and outcomes, the next step will be to assess how they will be engaged and consulted. the I

Based on this analysis, the communication strategy, and the coordination mechanism to be developed by REGEP-UP shall incorporate strategies to engage the different stakeholders. For high interest and high influence stakeholders: the plan should be to fully engage this group and apply all effort to ensure that they are satisfied and fully always informed of the programme. This can be done by focusing efforts on these groups of stakeholders throughout the programme cycle, giving them the importance, they deserve, involving them in programme governance decision making bodies and engaging them and consulting them regularly as well as providing timeous feedback.

Engagement is directly proportional to impact and influence, and as the extent of impact of a programme on a stakeholder group increases, or the extent of influence of a particular stakeholder on a programme increases, engagement with that stakeholder group should intensify and deepen in terms of the frequency and the intensity of the engagement method used.

A preliminary mapping and classification of relevant stakeholders is provided below:

Stakeholder Group and organisation	Characteristics	Interest and influence (Low/Medium /High)	Role in the programme	Mechanism for engaging the stakeholders
Co-founders				
Islamic Development Bank (IsDB)	Co-financing institution, focusing on climate-resilient agriculture; rural finance and gender and youth empowerment	High interest and high influence	Co-founder	Frequent meetings and coordination activities at design and start-up for implementation readiness; Member of a donor coordination mechanism for regular coordination activities.
UN-Women	ISDB's partner for implementation of women and youth-targeted activities.	High interest and influence;	Co-founder and implementer of women and youth focused interventions	Meetings and coordination activities to finalize the terms and conditions of partnership; member of a donor coordination mechanism.
Main implementing partners (NGOs)				
JEDCO	Lead implementing partner for REGEP with a demonstrated implementation capacity	High interest and high influence	Main implementing partner, hosting the programme's PMU	Regular engagement
Jordan River Foundation (JRF)	Local NGO. Key implementing partner under REGEP I and II.	High interest and medium influence	Member of the programme steering committee.	Depending on the role they will play in the programme, they might be engaged on a

	High capacity to implement pro-poor interventions, address gender and nutrition issues in operations.		Strategic oversight; Service-delivery during implementation	continuous basis as a key implementing partner.
National Agriculture Research Centre (NARC)	National agriculture research centre. Key implementing partner under REGEF. High technical capacity in implementing training for climate resilient agriculture.	High interest and medium influence. Potential implementing partner for REGEF-UP, as they were involved under the REGEF I and II	Service-delivery during implementation	Depending on the role they will play in the programme, they might be engaged as a key partner.
Government				
Ministry of Planning and International Cooperation (MOPIC)	Main implementing agency	High interest and high influence	Lead the PSC and provide overall coordination	Engaged regularly through the PSC
Ministry of Agriculture (MoA)	Provide the policy framework for climate resilient agriculture and value-chain development	High interest and medium influence	Members of the programme's steering committee. Strategic oversight during the course of implementation	Engaged regularly through the PSC
National Aid Fund (NAF)	National institution managing social protection and cash transfer in the country.	Medium interest and medium influence.	Beneficiary targeting by providing robust information on poor and vulnerable target groups-	They will be engaged at early implementation during: pre-identification of target groups; social mobilisation and overall targeting process under component 1.
Ministry of Environment (MoE)	They provide the policy framework and data on water resources and other environmental issues.	High interest and medium influence	Provide technical oversight through PSC	Engaged regularly through the PSC and technical consultation activities.
Ministry of Health (MoH)	Provide the policy framework for health and safety issues.	Medium interest and medium influence	They can provide the policy	Engaged through policy dialogue initiatives and consultation activities

			framework for food safety	
Ministry of Labour (MoL)	Provide the policy framework for labour issues in the country, including on OHS, and decent work	Medium interest and medium influence	They can influence the programme's approach to address labour issues and OHS in agriculture. Also provide employment data for targeting	Engaged through consultation at early implementation.
Private sector				
PFI (CBJ, MFIs etc.)	Financial institutions, providing financial services in rural and under-served areas.	High interest and high influence	Key implementing partners for delivery of Component 2	Engaged systematically as part of M&E activities.
Cooperatives	Farmer organisations with both advocacy and service-delivery functions.	High interest and medium influence	Key programme's partners and beneficiaries. Provide outreach to the target groups.	Engaged through consultation activities at design and early implementation.
SMEs	Small and medium scale aggregators and processors	High interest and high influence	Potential leaders of inclusive value-chain development	Engagement through value-chain mapping at early implementation. Continuous engagement during programme's implementation, through regular service-delivery, M&E and feedback
CSOs				
Labour Unions	Labour rights organisations, also with a focus on agricultural labourers.	Medium influence and medium interest	Providing the policy and legal framework for tackling OHS issues, child labour etc.	Consultation activities during the course of implementation.
Women's rights organisations and NGOs	Women-led organisations specialised in training, advocacy and policy engagement on GEWE	Medium interest and medium influence	Potential partners for policy engagement on GEWE	Engaged through consultations and policy engagement activities

Target groups				
CBOs and Women's Associations	Community based organisations that provide services to the target group	High interest and high influence	Potential partners and beneficiaries	Engagement at design and during the value-chain mapping and targeting process. Key actors for information and communication campaign and beneficiary outreach.
Rural women, men youth	Main target groups of the programme	High interest and high influence	Potential beneficiaries	Engagement through consultations, information and communication campaign; group formation; service-delivery; M&E; feedback mechanisms.

4. Engagement with the target group.

The engagement of target programme participants will be conducted through established procedures for information campaign and social mobilisation, including the selection of participants based on REGEP-UP targeting criteria and group formation. A team of well-trained field workers, who will be hired by implementing partners, will be responsible for engaging with the target group on a regular basis. WhatsApp group will also be used to promote a continuous exchange and solicit feedback. Feedback will be recorded and classified by field-workers. Less complex feedback will be addressed directly by field workers. Other, more complex inputs and requests will be discussed with management and PMU staff to identify the most effective way to address people's comments and suggestions on how to improve service-delivery. It is important to ensure that feedback will be rapidly considered and addressed to create trust and accountability.

4. Feedback mechanisms

Feedback mechanisms will be solicited to provide inputs and suggestions on the different activities and services provided by the programme. This is key to inform adaptive management. Mechanisms for feedback collection and analysis are and will be systematically embedded in all stages of the programme cycle, as it follows:

-
- a. **Target groups' needs and priorities are solicited and heeded in the formulation of programme interventions** through consultations and relevant SECAP processes conducted during the design stage. Early in the implementation phase, a preliminary assessment will be conducted to map and identify potential participants, and value-chain development opportunities. This will provide an opportunity to gather meaningful insights from the target groups, which will be used to inform planning and service delivery. Consultations will be carried out with the rural poor, ensuring that all different target groups are informed and consulted.
-
- b. **Target group feedback is regularly used to monitor the delivery of programme interventions** to ensure adaptive management and improvement thereof. During implementation, the target group will have access to different formal and informal mechanisms to provide their feedback. These include:
 - One-to-one interaction;
 - Dedicated moments for feedback during programme meetings with relevant stakeholder groups within a safe space;

- Interviews with the target group during programme supervision missions;
- Feedback provided via WhatsApp;
- Topics raised via the Grievance Redress Mechanism.

c. **Target group feedback is integrated in the assessment of outcomes and the responses to be taken** including their satisfaction with the interventions delivered and the process changes that need to be pursued to increase relevance and effectiveness of the intervention.

d. **Closing the feedback loop.** Community-based meetings will be the preferred platform to inform the target group about the feedback received and the actions that the programme will take in response to their claims and suggestions.

e. **Programme reporting includes a section on SEP and feedback from target groups.** It is essential that stakeholder engagement activities and feedback mechanisms are monitored and documented as part of programme and SECAP reporting. Supervision missions will further assess quality of engagement and effectiveness of consultations and feedback mechanisms.

5. Monitoring and assessing the effectiveness of target group engagement and feedback mechanisms

The stakeholder engagement process will be monitored through the regular reporting and supervision cycle with IFAD, allowing the programme to take corrective measures if needed. Progress reports should include a section on stakeholder engagement, serving as a basis to discuss the effectiveness and efficiency of the partnerships established under the programme.

The following success criteria and performance indicators should be used when reviewing the effectiveness of stakeholder engagement and feedback mechanisms:

Objective	Success Criteria / Performance Indicators
Provision of information in a timely, accurate and culturally appropriate manner	• Making sure that all relevant target groups are reached and informed and that the meeting venue and time is suitable to the participation of women and persons with disabilities. • Information provided is clear and well understood by participants.
Stakeholder comments and feedback are received and incorporated into programme activities as appropriate	• Number and type of feedback received over a specified period and measures and actions taken to address them and close the feedback loop.
Informed participation by vulnerable groups	• Consultation reports include disaggregated information on the participation of vulnerable groups (by poverty, gender, age, and legal status) • Monitoring of access to and use of feedback mechanisms and GRM system by vulnerable groups (e.g. refugees, women and girls, women headed households etc)
Stakeholder engagement is transparent, inclusive and appropriate	• Program information disclosed to all stakeholders as requested and according to disclosure mechanism.

Annex 6: First (18 months) Work Plan and Budgets – REGEF-UP

The development of this 18 months AWPB was done following the Cost tables and the activities planned for the first 18 months of the project. The 18 months AWPB is provided as a guiding document for the PMU to use and start developing its 12 months AWPB that will be submitted to IFAD for discussion, review and support.

Description of activity by Category	Description of activity by Component/subcomponent	Unit	Quantity	Cumulative Expenditure (000'USD) for 2026-2031	Expenditure by financing source for the first 18 months (000'USD)								
				Plan	IFAD PBAS	IFAD BRAM	IFAD ACC	IPs	BEN.	Fin. Gap	kDB	ACC FI	GoJ
Component 1. Microentrepreneurs production and processing													
Subcomponent 1.1. "Microentrepreneurs production and processing"													
	A. Climate resilient production and small-scale processing												
C_EA	Recruitment of service provider for capacity-development for climate resilient crop	ls	1.00	66.17		55.60							10.60
C_EA	Capacity building for climate for climate resilient crop production/a	session	25.00	50.10			42.10				8.00		
C_EA	Capacity building for processing activities and nutrition education /b	session	15.00	22.15	18.60								3.55
C_EA	Integrated Pest Management (IPM) and Organic farming pilot	session	2.50	5.25			4.45						0.85
C_EA	TA gender and nutrition	lumpsum	0.10	7.90		6.65							1.25
C_EA	ToT gender and nutrition	lumpsum	0.10	2.70		2.25							0.45
	B. Grant for water efficient production and processing												
C_EA	Study to target best water efficient technologies based on selected clusters	lumpsum	1.00	22.30			18.70						3.60
GRANT SUB_EA	Grants for water efficiency for small scale production /c	grant	62.00	326.95	310.60				16.35				
GRANT SUB_EA	Grants for small scale processing	grant	37.50	197.75	187.86				9.89				
C_EA	TA for Grants delivery	lumpsum	0.30	139.65	78.65		38.70						22.35
C_EA	Water accounting and monitoring (for all grantees)	lumpsum	0.10	5.40			4.50						0.85
	C. Business Mentoring												
C_EA	Business mentoring		0.10	28.50		23.90							4.55
C_EA	Peer learning, fairs and events		3.00	15.80		13.30							2.55
C_EA	E-learning for microenterpreneurs		2.50	7.90		6.65							1.25
	D. Marketing												
C_EA	Aggregation activities	lumpsum	0.10	5.25		4.45							0.85
C_EA	Support to digital marketing	session	0.10	8.45		7.10							1.35
	E. Green jobs												
GRANT SUB_EA	Harvesting/tillage services	grant	3.00	15.80		15.01			0.79				
GRANT SUB_EA	Support repairs and maintenance	grant	2.00	10.55		10.02			0.53				
Total for Subcomponent 1.1. "Microentrepreneurs production and processing"				938.57	595.72	144.93	108.45	-	27.55	-	8.00	-	54.05

Description of activity by Category	Description of activity by Component/subcomponent	Unit	Quantity	Cumulative Expenditure (000'USD) for 2026-2031	Expenditure by financing source for the first 18 months (000'USD)								
				Plan	IFAD PBAS	IFAD BRAM	IFAD ACC	IPs	BEN.	Fin. Gap	IsDB	ACC FI	GoJ
Component 1. Microentrepreneurs production and processing													
Subcomponent 1.2. "Value chain and SME development"													
	A. Value chain study and in-depth assessment												
C EA	Value chain study - identify actors and entry points	lumpsum	1.00	42.80	35.90								6.80
	B. SME and farms identification and selection for upgrading												
C EA	Identification/selection of SMEs + farmers critical to long VC	lumpsum	0.85	8.70	6.00					1.35			1.35
C EA	Needs assessment and verification - factories + farms	lumpsum	0.75	18.95	15.95								3.05
	C.Upgrading and equipping value chain actors												
GRANT SUB EA	SMEs - grading/sorting, drying, cold rooms, transport	grant	10.00	414.55		414.55							
GRANT SUB EA	SMEs - grading/sorting, drying, cold rooms, transport- beneficiary contribution	grant	10.00	103.65					103.65				
GRANT SUB EA	Farmers - irrigation systems, harvesting equip	grant	17.50	307.55		307.55							
GRANT SUB EA	Farmers - irrigation systems, harvesting equip - beneficiary contribution /a	grant	17.50	76.90					76.90				
C EA	Digital monitoring of grants	lumpsum	0.50	31.25	26.25								5.00
	D.Capacity building of agricultural enterprises												
	1. Capacity building												
C EA	Climate resilient agricultural production /b	session	5.50	11.35			9.55						1.85
C EA	Harvesting, post-harvest handling and grading /c	session	2.50	6.60	5.55								1.05
C EA	Certification and standards /d	facilities certifies	25.00	12.85	10.85								2.05
C EA	Occupational safety and health	session	25.00	13.00	10.95								2.05
C EA	BDS training - all farms	session	2.50	5.25	5.25								
C EA	2. E-learning for agriprocessors	lumpsum	2.50	7.90	6.65								1.25
	E. Promoting market access and digitalization												
	1. Market access/digitalization												
C EA	Business-to-business platforms (B2B)	lumpsum	0.10	4.10	3.45								0.65
C EA	Business to farmer (B2F) platforms	lumpsum	0.10	3.10	2.65								0.45
C EA	Trade fairs/exhibitions/shows/ promotions	lumpsum	0.10	3.10	2.65								0.45
C EA	Promote youth to develop digital applications/platforms /e	platform	0.10	5.15	4.30								0.80
Total for Subcomponent 1.2. " Value chain and SME development"				1 076.75	136.40	722.10	9.55	-	180.55	1.35	-	-	26.80
Total of Component 1				2 015.32	732.12	867.03	118.00	-	208.10	1.35	8.00	-	80.85

Description of activity by Category	Description of activity by Component/subcomponent	Unit	Quantity	Cumulative Expenditure (000'USD) for 2026-2031	Expenditure by financing source for the first 18 months (000'USD)								
				Plan	IFAD PBAS	IFAD BRAM	IFAD ACC	IPs	BEN.	Fin. Gap	IsDB	ACC FI	GoJ
Component 2. Inclusive Rural Finance													
Subcomponent 2.1. "Improved access to finance for MSMEs"													
CREDITS EA	SME credit line	loan	2.50	175.00		175.00							
CREDITS EA	SME credit line - beneficiary contribution	loan	2.50	35.00				35.00					
CREDITS EA	Microloan credit line	loan	339.00	2 373.00		189.84					996.66	1186.50	
CREDITS EA	Microloan credit line - Beneficiary contribution	loan	339.00	474.60				474.60					
Total for Subcomponent 2.1. "Improved access to finance for MSMEs"				3 057.60	-	364.84	-	-	509.60	-	996.66	1 186.50	-
Subcomponent 2.2. "Strengthened technical capacity of PFIs"													
C_EA	Technical assistance package to PFIs	lumpsum	1.00	152.70		134.38					18.32		
C_EA	Tech maps development	pers.day	250.00	50.90		44.79					6.11		
C_EA	Trainings	even	4.00	28.50		25.08					3.42		
C EA	Contingency for consultancies	lumpsum	1.00	23.20		20.42					2.78		
Total for Subcomponent 2.2. "Strengthened technical capacity of PFIs"				255.30	-	224.66	-	-	-	-	30.64	-	-
Subcomponent 2.3. "Improved financial literacy among rural residents"													
C EA	Financial literacy training course and ToT development	lumpsum	1.00	81.40		24.42					56.98		
C EA	Roll out of activities (approx. 5,000 persons reached)		0.10	15.80		4.74					11.06		
C EA	Contingency for consultancies	lumpsum	1.00	23.40		7.02					16.38		
Total for Subcomponent 2.3. "Improved financial literacy among rural residents"				120.60	-	36.18	-	-	-	-	84.42	-	-
Total of Component 2				3 433.50	-	625.68	-	-	509.60	-	1 111.72	1 186.50	

Description of activity by Category	Description of activity by Component/subcomponent	Unit	Quantity	Cumulative Expenditure (000'USD) for 2026-2031	Expenditure by financing source for the first 18 months (000'USD)									
					Plan	IFAD PBAS	IFAD BRAM	IFAD ACC	IPs	BEN.	Fin. Gap	IsDB	ACC FI	GoJ
Component 3. Project management & Policy engagement														
Subcomponent 3.1. "Project Management "														
	I. Investment Costs													
A. JEDCO Project Coordination Unit														
	1. Equipment and materials													
EQ MAT EA	Vehicles	unit	2.00	61.30			53.00							10.10
EQ MAT EA	Office furniture and equipment /a	lumpsum	1.00	57.40			48.20							9.20
EQ MAT EA	IT system	lumpsum	1.00	14.30			12.00							2.30
	2. PCU training and consultancies													
C EA	Training and workshops for JEDCO staff	lumpsum	1.50	15.20			12.75							2.45
C EA	Admin costs (IFAD and JEDCO)	lumpsum	1.00	1.40			1.20							0.20
C EA	SECAP consultancy	lumpsum	0.10	7.45			6.25							1.20
B. Monitoring and Evaluation (M&E)														
C EA	Baseline Survey	lumpsum	1.00	86.00								86.00		
C EA	Mid-term Survey	lumpsum												
C EA	Final Impact Survey	lumpsum												
C EA	M&E MIS development/service provider	lumpsum	1.00	28.70			24.10							4.60
C EA	Operation services/M&E software /b	lumpsum	1.50	2.15			1.80							0.35
EQ MAT EA	M&E equipment/devices /c	lumpsum	2.00	2.90			2.40							0.50
C EA	Start-up workshop	wshop	1.00	1.40			1.20							0.20
C EA	Annual review and planning workshops/M&E meetings	wshop	0.50	0.75			0.63							0.12
C EA	Annual spot-check/verification visits for the M&E Unit/field visits	per year	0.50	0.75			0.63							0.12
C EA	Ad hoc Studies and Assistance /d	per year	0.50	0.75			0.63							0.12
C EA	Knowledge Management Product preparation/communication activities	lumpsum	0.10	0.75			0.60							0.12
C EA	REGEP UP Website/Social Media /e	lumpsum	1.00	7.17			6.03							1.14
C EA	M&E/KM staff training/international	per year	1.50	2.15			1.80							0.35
II. Recurrent Costs														
A. Salaries and Allowances														
	1. Salaries													
SA EA	Project Manager	Pers.month	15.00	87.25			87.25							
SA EA	Finance coordinator	Pers.month	15.00	65.45			65.45							
SA EA	Value Chain Specialist	Pers.month	18.00	50.70								50.70		
SA EA	M&E Officer	Pers.month	15.00	41.45			41.45							
SA EA	Procurement officer	Pers.month	6.00	13.35			13.35							
SA EA	Accountant senior	Pers.month	15.00	28.40			28.40							
SA EA	Administrative assistant	Pers.month	6.00	6.25			6.25							
B. Operational costs														
SA EA	Other operating costs	lumpsum	1.50	41.00			41.00							
SA EA	Fuel for vehicles /f	lumpsum	1.50	21.75			21.75							
SA EA	Operational costs for vehicles (O&M)	lumpsum	1.50	11.05			11.05							
Total for Subcomponent 3.1. "Project Management"				657.17	-	489.17	-	-	-	-	-	136.70	-	33.07

Description of activity by Category	Description of activity by Component/subcomponent	Unit	Quantity	Cumulative Expenditure (000'USD) for 2026-2031	Expenditure by financing source for the first 18 months (000'USD)								
					Plan	IFAD PBAS	IFAD BRAM	IFAD ACC	IPs	BEN.	Fin. Gap	IsDB	ACC FI
Component 3. Project management & Policy engagement													
Subcomponent 3.2. "Policy Engagement"													
	I. Investment Costs												
C EA	A. HCFS Secretariat TA	ls	0.50	10.35		4.28				4.43			1.65
C EA	B. Learning event and CSA roundtable	ls	1.00	15.30		12.83							2.40
C EA	C. Input to NFSS mid-term review	ls	0.22	12.00		10.05							1.90
C EA	D. Input to successor agriculture strategy	ls	1.00	35.60		29.93							5.70
C EA	E. Policy briefs and knowledge products	ls	0.45	14.00		5.13				6.64			2.25
C EA	F. Participation in HCFS policy processes	ls	0.45	4.70		2.57				1.33			0.75
Total for Subcomponent 3.2. "Policy Engagement"				91.95	0.00	64.78	0.00	0.00	0.00	12.40	0.00	0.00	14.65
Total of Component 3				749.12	-	553.95	-	-	-	12.40	136.70	-	47.72
GRAND TOTAL OF THE PROJECT				6 197.94	732.12	2 046.66	118.00	-	717.70	13.75	1 256.42	1 186.50	128.57

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Stakeholder Engagement Plan

Mission Dates: 26/04 to 16/05/2025

Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
Programme Management Department

Annex 5.3: Stakeholder Engagement Plan

1. Introduction

This Stakeholder Engagement Plan details the stakeholder consultations during the programme design phase. It also establishes a process to ensure stakeholder engagement while implementing the REGEP-UP programme.

The SEP is a tool to ensure that IFAD, JEDCO and the programme's implementing partners provide timely, relevant, understandable and accessible information and consult with all relevant stakeholders in a culturally sensitive and gender/socially inclusive manner. It identifies the main stakeholder groups; evaluates topics of engagements concerning their needs, priorities and ideas; and determines the appropriate way to monitor the effectiveness of stakeholder engagement. The SEP also provides the framework to receive feedback from local stakeholders, particularly the programme's target groups. Feedback from local stakeholders is expected to be regularly used to monitor the delivery of programme interventions and promptly inform adaptation and improvement thereof.

2. Consultations during programme design

During programme design mission in May 2024, consultations were conducted with a range of stakeholders. These include: REGEP beneficiary families, cooperatives and women's associations, value-chain operators, implementing partners (e.g. Jordan River Foundation and NARC), field-workers, banks and micro-credit institutions. In-depth interviews and discussions were conducted with the current and potential target groups, including: women and men FFS participants and beneficiary of water harvesting technologies, drip irrigation, greenhouse and food processing equipment; Women and men beneficiary of microfinance and commercial loans; community-based associations, including women's associations; smallholder farmers with potential to be included in more profitable value-chains;

In addition to consulting potential beneficiaries at the community level, consultations were held with government representatives and other development actors, including donors and local NGO. These included representatives of FAO, the World Bank and the EU; staff from the Ministry of Agriculture, Ministry of Environment and the National Aid Fund etc.

All these stakeholder consultations aimed to gather contributions related to the Programme, which has been incorporated into its design and will be addressed during implementation. They have provided critical inputs into defining measures for climate-smart agriculture, irrigation and water management, value-chain development, rural finance, targeting, gender and social inclusion, nutrition, and general climate-related considerations.

Overall, the design mission considers that JEDCO and its partner organisations have the capacity to engage with local stakeholders and solicit inputs and feedback into programme's activities. Both field workers and programme's staff regularly interact with the target group as part of programme implementation and have effectively leveraged digital instruments, such as WhatsApp groups, to facilitate interaction and service delivery. While continuous and focused engagement with more vulnerable groups (e.g. women and girls, the poorest families and refugees etc.) is a component of REGEP this aspect will be further articulate under REGEP-UP.

3. Engagement with main stakeholders

The main stakeholders for the programme can be classified into 3 groups: the target groups; implementing partners; and different programme's partners including co-financing institutions, such as the Islamic Development Bank and UN-Women, commercial banks; Ministries etc.

Engagement activities with main programme implementers and partners, will be carried out on a regular basis during the course of the programme, through meetings, regular activities and field-missions, including supervision and implementation support.

Once stakeholders are identified and classified according to their characteristics, roles and potential interest and influence in programme activities and outcomes, the next step will be to assess how they will be engaged and consulted. the I

Based on this analysis, the communication strategy, and the coordination mechanism to be developed by REGEUP shall incorporate strategies to engage the different stakeholders. For high interest and high influence stakeholders: the plan should be to fully engage this group and apply all effort to ensure that they are satisfied and fully always informed of the programme. This can be done by focusing efforts on these groups of stakeholders throughout the programme cycle, giving them the importance, they deserve, involving them in programme governance decision making bodies and engaging them and consulting them regularly as well as providing timeous feedback.

Engagement is directly proportional to impact and influence, and as the extent of impact of a programme on a stakeholder group increases, or the extent of influence of a particular stakeholder on a programme increases, engagement with that stakeholder group should intensify and deepen in terms of the frequency and the intensity of the engagement method used.

A preliminary mapping and classification of relevant stakeholders is provided below:

Stakeholder Group and organisation	Characteristics	Interest and influence (Low/Medium /High)	Role in the programme	Mechanism for engaging the stakeholders
Co-founders				
Islamic Development Bank (IsDB)	Co-financing institution, focusing on climate-resilient agriculture; rural finance and gender and youth empowerment	High interest and high influence	Co-founder	Frequent meetings and coordination activities at design and start-up for implementation readiness; Member of a donor coordination mechanism for regular coordination activities.
UN-Women	ISDB's partner for implementation of women and youth-targeted activities.	High interest and influence;	Co-founder and implementer of women and youth focused interventions	Meetings and coordination activities to finalize the terms and conditions of partnership; member of a donor coordination mechanism.
Main implementing partners (NGOs)				
JEDCO	Lead implementing partner for REGEUP with a demonstrated implementation capacity	High interest and high influence	Main implementing partner, hosting the programme's PMU	Regular engagement
Jordan River Foundation (JRF)	Local NGO. Key implementing partner under REGEUP I and II.	High interest and medium influence	Member of the programme steering committee.	Depending on the role they will play in the programme, they might be engaged on a

	High capacity to implement pro-poor interventions, address gender and nutrition issues in operations.		Strategic oversight; Service-delivery during implementation	continuous basis as a key implementing partner.
National Agriculture Research Centre (NARC)	National agriculture research centre. Key implementing partner under REGEF. High technical capacity in implementing training for climate resilient agriculture.	High interest and medium influence. Potential implementing partner for REGEF-UP, as they were involved under the REGEF I and II	Service-delivery during implementation	Depending on the role they will play in the programme, they might be engaged as a key partner.
Government				
Ministry of Planning and International Cooperation (MOPIC)	Main implementing agency	High interest and high influence	Lead the PSC and provide overall coordination	Engaged regularly through the PSC
Ministry of Agriculture (MoA)	Provide the policy framework for climate resilient agriculture and value-chain development	High interest and medium influence	Members of the programme's steering committee. Strategic oversight during the course of implementation	Engaged regularly through the PSC
National Aid Fund (NAF)	National institution managing social protection and cash transfer in the country.	Medium interest and medium influence.	Beneficiary targeting by providing robust information on poor and vulnerable target groups-	They will be engaged at early implementation during: pre-identification of target groups; social mobilisation and overall targeting process under component 1.
Ministry of Environment (MoE)	They provide the policy framework and data on water resources and other environmental issues.	High interest and medium influence	Provide technical oversight through PSC	Engaged regularly through the PSC and technical consultation activities.
Ministry of Health (MoH)	Provide the policy framework for health and safety issues.	Medium interest and medium influence	They can provide the policy	Engaged through policy dialogue initiatives and consultation activities

			framework for food safety	
Ministry of Labour (MoL)	Provide the policy framework for labour issues in the country, including on OHS, and decent work	Medium interest and medium influence	They can influence the programme's approach to address labour issues and OHS in agriculture. Also provide employment data for targeting	Engaged through consultation at early implementation.
Private sector				
PFI (CBJ, MFIs etc.)	Financial institutions, providing financial services in rural and under-served areas.	High interest and high influence	Key implementing partners for delivery of Component 2	Engaged systematically as part of M&E activities.
Cooperatives	Farmer organisations with both advocacy and service-delivery functions.	High interest and medium influence	Key programme's partners and beneficiaries. Provide outreach to the target groups.	Engaged through consultation activities at design and early implementation.
SMEs	Small and medium scale aggregators and processors	High interest and high influence	Potential leaders of inclusive value-chain development	Engagement through value-chain mapping at early implementation. Continuous engagement during programme's implementation, through regular service-delivery, M&E and feedback
CSOs				
Labour Unions	Labour rights organisations, also with a focus on agricultural labourers.	Medium influence and medium interest	Providing the policy and legal framework for tackling OHS issues, child labour etc.	Consultation activities during the course of implementation.
Women's rights organisations and NGOs	Women-led organisations specialised in training, advocacy and policy engagement on GEWE	Medium interest and medium influence	Potential partners for policy engagement on GEWE	Engaged through consultations and policy engagement activities

Target groups				
CBOs and Women's Associations	Community based organisations that provide services to the target group	High interest and high influence	Potential partners and beneficiaries	Engagement at design and during the value-chain mapping and targeting process. Key actors for information and communication campaign and beneficiary outreach.
Rural women, men youth	Main target groups of the programme	High interest and high influence	Potential beneficiaries	Engagement through consultations, information and communication campaign; group formation; service-delivery; M&E; feedback mechanisms.

4. Engagement with the target group.

The engagement of target programme participants will be conducted through established procedures for information campaign and social mobilisation, including the selection of participants based on REGEP-UP targeting criteria and group formation. A team of well-trained field workers, who will be hired by implementing partners, will be responsible for engaging with the target group on a regular basis. WhatsApp group will also be used to promote a continuous exchange and solicit feedback. Feedback will be recorded and classified by field-workers. Less complex feedback will be addressed directly by field workers. Other, more complex inputs and requests will be discussed with management and PMU staff to identify the most effective way to address people's comments and suggestions on how to improve service-delivery. It is important to ensure that feedback will be rapidly considered and addressed to create trust and accountability.

4. Feedback mechanisms

Feedback mechanisms will be solicited to provide inputs and suggestions on the different activities and services provided by the programme. This is key to inform adaptive management. Mechanisms for feedback collection and analysis are and will be systematically embedded in all stages of the programme cycle, as it follows:

-
- a. **Target groups' needs and priorities are solicited and heeded in the formulation of programme interventions** through consultations and relevant SECAP processes conducted during the design stage. Early in the implementation phase, a preliminary assessment will be conducted to map and identify potential participants, and value-chain development opportunities. This will provide an opportunity to gather meaningful insights from the target groups, which will be used to inform planning and service delivery. Consultations will be carried out with the rural poor, ensuring that all different target groups are informed and consulted.
-
- b. **Target group feedback is regularly used to monitor the delivery of programme interventions** to ensure adaptive management and improvement thereof. During implementation, the target group will have access to different formal and informal mechanisms to provide their feedback. These include:
 - One-to-one interaction;
 - Dedicated moments for feedback during programme meetings with relevant stakeholder groups within a safe space;

- Interviews with the target group during programme supervision missions;
- Feedback provided via WhatsApp;
- Topics raised via the Grievance Redress Mechanism.

c. **Target group feedback is integrated in the assessment of outcomes and the responses to be taken** including their satisfaction with the interventions delivered and the process changes that need to be pursued to increase relevance and effectiveness of the intervention.

d. **Closing the feedback loop.** Community-based meetings will be the preferred platform to inform the target group about the feedback received and the actions that the programme will take in response to their claims and suggestions.

e. **Programme reporting includes a section on SEP and feedback from target groups.** It is essential that stakeholder engagement activities and feedback mechanisms are monitored and documented as part of programme and SECAP reporting. Supervision missions will further assess quality of engagement and effectiveness of consultations and feedback mechanisms.

5. Monitoring and assessing the effectiveness of target group engagement and feedback mechanisms

The stakeholder engagement process will be monitored through the regular reporting and supervision cycle with IFAD, allowing the programme to take corrective measures if needed. Progress reports should include a section on stakeholder engagement, serving as a basis to discuss the effectiveness and efficiency of the partnerships established under the programme.

The following success criteria and performance indicators should be used when reviewing the effectiveness of stakeholder engagement and feedback mechanisms:

Objective	Success Criteria / Performance Indicators
Provision of information in a timely, accurate and culturally appropriate manner	• Making sure that all relevant target groups are reached and informed and that the meeting venue and time is suitable to the participation of women and persons with disabilities. • Information provided is clear and well understood by participants.
Stakeholder comments and feedback are received and incorporated into programme activities as appropriate	• Number and type of feedback received over a specified period and measures and actions taken to address them and close the feedback loop.
Informed participation by vulnerable groups	• Consultation reports include disaggregated information on the participation of vulnerable groups (by poverty, gender, age, and legal status) • Monitoring of access to and use of feedback mechanisms and GRM system by vulnerable groups (e.g. refugees, women and girls, women headed households etc)
Stakeholder engagement is transparent, inclusive and appropriate	• Program information disclosed to all stakeholders as requested and according to disclosure mechanism.

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Annex 6: First (Annual) Work Plan and Budgets

Mission Dates: 26/04 to 16/05/2025

Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
Programme Management Department

Annex 6: First (18 months) Work Plan and Budgets – REGEF-UP

The development of this 18 months AWPB was done following the Cost tables and the activities planned for the first 18 months of the project. The 18 months AWPB is provided as a guiding document for the PMU to use and start developing its 12 months AWPB that will be submitted to IFAD for discussion, review and support.

Description of activity by Category	Description of activity by Component/subcomponent	Unit	Quantity	Cumulative Expenditure (000'USD) for 2026-2031	Expenditure by financing source for the first 18 months (000'USD)									
				Plan	IFAD PBAS	IFAD BRAM	IFAD ACC	IPs	BEN.	Fin. Gap	IsDB	ACC FI	GoJ	
Component 1. Microentrepreneurs production and processing														
Subcomponent 1.1. "Microentrepreneurs production and processing"														
	A. Climate resilient production and small-scale processing													
C_EA	Recruitment of service provider for capacity-development for climate resilient crop ls		1.00	66.17			55.60							10.60
C_EA	Capacity building for climate for climate resilient crop production/a	session	25.00	50.10				42.10				8.00		
C_EA	Capacity building for processing activities and nutrition education /b	session	15.00	22.15	18.60									3.55
C_EA	Integrated Pest Management (IPM) and Organic farming pilot	session	2.50	5.25				4.45						0.85
C_EA	TA gender and nutrition	lumpsum	0.10	7.90			6.65							1.25
C_EA	ToT gender and nutrition	lumpsum	0.10	2.70			2.25							0.45
	B. Grant for water efficient production and processing													
C_EA	Study to target best water efficient technologies based on selected clusters	lumpsum	1.00	22.30				18.70						3.60
GRANT SUB_EA	Grants for water efficiency for small scale production /c	grant	62.00	326.95	310.60					16.35				
GRANT SUB_EA	Grants for small scale processing	grant	37.50	197.75	187.86					9.89				
C_EA	TA for Grants delivery	lumpsum	0.30	139.65	78.65			38.70						22.35
C_EA	Water accounting and monitoring (for all grantees)	lumpsum	0.10	5.40				4.50						0.85
	C. Business Mentoring													
C_EA	Business mentoring		0.10	28.50			23.90							4.55
C_EA	Peer learning, fairs and events		3.00	15.80			13.30							2.55
C_EA	E-learning for microenterpreneurs		2.50	7.90			6.65							1.25
	D. Marketing													
C_EA	Aggregation activities	lumpsum	0.10	5.25			4.45							0.85
C_EA	Support to digital marketing	session	0.10	8.45			7.10							1.35
	E. Green jobs													
GRANT SUB_EA	Harvesting/tillage services	grant	3.00	15.80			15.01			0.79				
GRANT SUB_EA	Support repairs and maintenance	grant	2.00	10.55			10.02			0.53				
Total for Subcomponent 1.1. "Microentrepreneurs production and processing"				938.57	595.72	144.93	108.45	-	27.55	-	8.00	-		54.05

Description of activity by Category	Description of activity by Component/subcomponent	Unit	Quantity	Cumulative Expenditure (000'USD) for 2026-2031	Expenditure by financing source for the first 18 months (000'USD)									
				Plan	IFAD PBAS	IFAD BRAM	IFAD ACC	IPs	BEN.	Fin. Gap	IsDB	ACC FI	GoJ	
Component 1. Microentrepreneurs production and processing														
Subcomponent 1.2. "Value chain and SME development"														
	A. Value chain study and in-depth assessment													
C EA	Value chain study - identify actors and entry points	lumpsum	1.00	42.80	35.90									6.80
	B. SME and farms identification and selection for upgrading													
C EA	Identification/selection of SMEs + farmers critical to long VC	lumpsum	0.85	8.70	6.00					1.35				1.35
C EA	Needs assessment and verification - factories + farms	lumpsum	0.75	18.95	15.95									3.05
	C.Upgrading and equipping value chain actors													
GRANT SUB EA	SMEs - grading/sorting, drying, cold rooms, transport	grant	10.00	414.55		414.55								
GRANT SUB EA	SMEs - grading/sorting, drying, cold rooms, transport- beneficiary contribution	grant	10.00	103.65						103.65				
GRANT SUB EA	Farmers - irrigation systems, harvesting equip	grant	17.50	307.55		307.55								
GRANT SUB EA	Farmers - irrigation systems, harvesting equip - beneficiary contribution /a	grant	17.50	76.90						76.90				
C EA	Digital monitoring of grants	lumpsum	0.50	31.25	26.25									5.00
	D.Capacity building of agricultural enterprises													
	1. Capacity building													
C EA	Climate resilient agricultural production /b	session	5.50	11.35			9.55							1.85
C EA	Harvesting, post-harvest handling and grading /c	session	2.50	6.60	5.55									1.05
C EA	Certification and standards /d	facilities certifies	25.00	12.85	10.85									2.05
C EA	Occupational safety and health	session	25.00	13.00	10.95									2.05
C EA	BDS training - all farms	session	2.50	5.25	5.25									
C EA	2. E-learning for agriprocessors	lumpsum	2.50	7.90	6.65									1.25
	E. Promoting market access and digitalization													
	1. Market access/digitalization													
C EA	Business-to-business platforms (B2B)	lumpsum	0.10	4.10	3.45									0.65
C EA	Business to farmer (B2F) platforms	lumpsum	0.10	3.10	2.65									0.45
C EA	Trade fairs/exhibitions/shows/ promotions	lumpsum	0.10	3.10	2.65									0.45
C EA	Promote youth to develop digital applications/platforms /e	platform	0.10	5.15	4.30									0.80
Total for Subcomponent 1.2. " Value chain and SME development"				1 076.75	136.40	722.10	9.55	-	180.55	1.35	-	-	-	26.80
Total of Component 1				2 015.32	732.12	867.03	118.00	-	208.10	1.35	8.00	-	-	80.85

Description of activity by Category	Description of activity by Component/subcomponent	Unit	Quantity	Cumulative Expenditure (000'USD) for 2026-2031	Expenditure by financing source for the first 18 months (000'USD)									
				Plan	IFAD PBAS	IFAD BRAM	IFAD ACC	IPs	BEN.	Fin. Gap	IsDB	ACC FI	GoJ	
Component 2. Inclusive Rural Finance														
Subcomponent 2.1. "Improved access to finance for MSMEs"														
CREDITS_EA	SME credit line	loan	2.50	175.00		175.00								
CREDITS_EA	SME credit line - beneficiary contribution	loan	2.50	35.00					35.00					
CREDITS_EA	Microloan credit line	loan	339.00	2 373.00		189.84					996.66	1186.50		
CREDITS_EA	Microloan credit line - Beneficiary contribution	loan	339.00	474.60					474.60					
Total for Subcomponent 2.1. "Improved access to finance for MSMEs"				3 057.60	-	364.84	-	-	509.60	-	996.66	1 186.50	-	
Subcomponent 2.2. "Strengthened technical capacity of PFIs"														
C_EA	Technical assistance package to PFIs	lumpsum	1.00	152.70		134.38					18.32			
C_EA	Tech maps development	pers.day	250.00	50.90		44.79					6.11			
C_EA	Trainings	even	4.00	28.50		25.08					3.42			
C_EA	Contingency for consultancies	lumpsum	1.00	23.20		20.42					2.78			
Total for Subcomponent 2.2. "Strengthened technical capacity of PFIs"				255.30	-	224.66	-	-	-	-	30.64	-	-	
Subcomponent 2.3. "Improved financial literacy among rural residents"														
C_EA	Financial literacy training course and ToT development	lumpsum	1.00	81.40		24.42					56.98			
C_EA	Roll out of activities (approx. 5,000 persons reached)	lumpsum	0.10	15.80		4.74					11.06			
C_EA	Contingency for consultancies	lumpsum	1.00	23.40		7.02					16.38			
Total for Subcomponent 2.3. "Improved financial literacy among rural residents"				120.60	-	36.18	-	-	-	-	84.42	-	-	
Total of Component 2				3 433.50	-	625.68	-	-	509.60	-	1 111.72	1 186.50	-	

Description of activity by Category	Description of activity by Component/subcomponent	Unit	Quantity	Cumulative Expenditure (000'USD) for 2026-2031	Expenditure by financing source for the first 18 months (000'USD)								
					Plan	IFAD PBAS	IFAD BRAM	IFAD ACC	IPs	BEN.	Fin. Gap	IsDB	ACC FI
Component 3. Project management & Policy engagement													
Subcomponent 3.1. "Project Management "													
	I. Investment Costs												
	A. JEDCO Project Coordination Unit												
	1. Equipment and materials												
EQ_MAT_EA	Vehicles	unit	2.00	61.30			53.00						10.10
EQ_MAT_EA	Office furniture and equipment /a	lumpsum	1.00	57.40			48.20						9.20
EQ_MAT_EA	IT system	lumpsum	1.00	14.30			12.00						2.30
	2. PCU training and consultancies												
C_EA	Training and workshops for JEDCO staff	lumpsum	1.50	15.20			12.75						2.45
C_EA	Admin costs (IFAD and JEDCO)	lumpsum	1.00	1.40			1.20						0.20
C_EA	SECAP consultancy	lumpsum	0.10	7.45			6.25						1.20
	B. Monitoring and Evaluation (M&E)												
C_EA	Baseline Survey	lumpsum	1.00	86.00								86.00	
C_EA	Mid-term Survey	lumpsum											
C_EA	Final Impact Survey	lumpsum											
C_EA	M&E MIS development/service provider	lumpsum	1.00	28.70			24.10						4.60
C_EA	Operation services/M&E software /b	lumpsum	1.50	2.15			1.80						0.35
EQ_MAT_EA	M&E equipment/devices /c	lumpsum	2.00	2.90			2.40						0.50
C_EA	Start-up workshop	wshop	1.00	1.40			1.20						0.20
C_EA	Annual review and planning workshops/M&E meetings	wshop	0.50	0.75			0.63						0.12
C_EA	Annual spot-check/verification visits for the M&E Unit/field visits	per year	0.50	0.75			0.63						0.12
C_EA	Ad hoc Studies and Assistance /d	per year	0.50	0.75			0.63						0.12
C_EA	Knowledge Management Product preparation/communication activities	lumpsum	0.10	0.75			0.60						0.12
C_EA	REGEP UP Website/Social Media /e	lumpsum	1.00	7.17			6.03						1.14
C_EA	M&E/KM staff training/international	per year	1.50	2.15			1.80						0.35
	II. Recurrent Costs												
	A. Salaries and Allowances												
	1. Salaries												
SA_EA	Project Manager	Pers.month	15.00	87.25			87.25						
SA_EA	Finance coordinator	Pers.month	15.00	65.45			65.45						
SA_EA	Value Chain Specialist	Pers.month	18.00	50.70								50.70	
SA_EA	M&E Officer	Pers.month	15.00	41.45			41.45						
SA_EA	Procurement officer	Pers.month	6.00	13.35			13.35						
SA_EA	Accountant senior	Pers.month	15.00	28.40			28.40						
SA_EA	Administrative assistant	Pers.month	6.00	6.25			6.25						
	B. Operational costs												
SA_EA	Other operating costs	lumpsum	1.50	41.00			41.00						
SA_EA	Fuel for vehicles /f	lumpsum	1.50	21.75			21.75						
SA_EA	Operational costs for vehicles (O&M)	lumpsum	1.50	11.05			11.05						
Total for Subcomponent 3.1. "Project Management"				657.17	-	489.17	-	-	-	-	136.70	-	33.07

Description of activity by Category	Description of activity by Component/subcomponent	Unit	Quantity	Cumulative Expenditure (000'USD) for 2026-2031	Expenditure by financing source for the first 18 months (000'USD)								
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Subcomponent 3.2. "Policy Engagement"													
	I. Investment Costs												
C EA	A. HCFS Secretariat TA	ls	0.50	10.35			4.28			4.43			1.65
C EA	B. Learning event and CSA roundtable	ls	1.00	15.30			12.83						2.40
C EA	C. Input to NFSS mid-term review	ls	0.22	12.00			10.05						1.90
C EA	D. Input to successor agriculture strategy	ls	1.00	35.60			29.93						5.70
C EA	E. Policy briefs and knowledge products	ls	0.45	14.00			5.13			6.64			2.25
C EA	F. Participation in HCFS policy processes	ls	0.45	4.70			2.57			1.33			0.75
Total for Subcomponent 3.2. "Policy Engagement"				91.95	0.00	64.78	0.00	0.00	0.00	12.40	0.00	0.00	14.65
Total of Component 3				749.12	-	553.95	-	-	-	12.40	136.70	-	47.72
GRAND TOTAL OF THE PROJECT				6 197.94	732.12	2 046.66	118.00	-	717.70	13.75	1 256.42	1 186.50	128.57

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Annex 7: Financial Management Assessment

Mission Dates: 26/04 to 16/05/2025

Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
Programme Management Department

Appendix 7: Financial Management and Disbursement Arrangements

Summary of Financial Management arrangements

The mission undertook a financial management capacity assessment of the institutions anticipated to participate in the implementation of the REGEP Up project, in line with IFAD's established assessment protocols. IFAD has experience of working with the Jordan Enterprise Development Corporation (JEDCO), the Central Bank of Jordan (CBJ), the National Agricultural Research Center (NARC), and the Jordan River Foundation (JRF) through the implementation of REGEP Phases I and II. In addition, IFAD has experience of working with the Agricultural Credit Corporation (ACC) and the Extension Department of the Ministry of Agriculture under the ongoing SIGHT project. The Project Management Coordination Unit (PMCU), which will continue to be hosted by JEDCO, will be responsible for the consolidation and submission of the Annual Work Plan and Budget (AWPB), interim unaudited quarterly financial reports, and annual unaudited and audited financial statements. The financial management arrangements for REGEP Up are inherently complex, driven by the involvement of multiple implementing partners and service providers. This structure necessitates strong coordination frameworks, standardized reporting mechanisms, and reinforced internal controls to ensure fiduciary compliance and effective oversight.

Project financial profile

The total project budget is estimated at USD 48.8 million. IFAD will contribute USD 15 million, representing [32%] of the total budget, through a loan financed under the Performance-Based Allocation System (PBAS) and the Borrowed Resource Access Mechanism (BRAM). Parallel co-financing will be provided by the Islamic Development Bank in the amount of USD 10.70 million, accounting for [22%] of the total. Domestic contributions will comprise the following:

Agricultural Credit Corporation (ACC): USD [11.88 million] (24 %)

Project beneficiaries: USD [6.6 million] (13 %)

Government Contribution: USD [0.65 million] ([1%])

Financing gap: USD [4 million] ([8 %])

The largest share of the total project financing—USD [31.3 million] ([64 %] of the total budget)—will be managed under Component 2 by the Agricultural Credit Corporation (ACC) and the Central Bank of Jordan (CBJ). ACC will directly manage its allocated funds, including its domestic contribution, while CBJ will channel loan financing through Participating Financial Institutions (PFIs) to on-lend to eligible

beneficiaries. In addition, grants totaling USD [11.9 million] ([24 %] of the total budget) will be provided under Component 1 and implemented in coordination with the Project Management Coordination Unit (PMCU) and the Jordan River Foundation (JRF). Given the complexity and scale of these financial flows, it is critical to establish robust financial management and reporting systems during the project's start-up phase for verification of the use of sources by intended beneficiaries and reporting. Special attention should be paid to ensuring the accurate capture, verification, and reporting of ACC's financial and in-kind contributions, in full compliance with IFAD's fiduciary requirements.

Implementation Arrangements

The REGEF Up project will be implemented by a number of national institutions with prior experience in executing IFAD-financed projects. The Jordan Enterprise Development Corporation (JEDCO) will serve as the lead implementing agency and will continue to host the Project Management Coordination Unit (PMCU), responsible for overall coordination, financial consolidation, and reporting. Additional implementing partners include the Central Bank of Jordan (CBJ), the Agricultural Credit Corporation (ACC), the National Agricultural Research Center (NARC), the Jordan River Foundation (JRF) as a service provider, and the Extension Department of the Ministry of Agriculture. Most of these entities have participated in earlier phases of REGEF or other IFAD-supported initiatives, such as the ongoing SIGHT project. To ensure effective oversight and coordination among all stakeholders, a Project Steering Committee will be established. The committee will provide strategic direction, monitor implementation progress, and facilitate collaboration across all participating agencies.

Financial Management Risk Assessment

Country Level

Jordan ranked 59th out of 180 countries, with a score of 49/100 in the 2024 Transparency International Corruption Perceptions Index (CPI), reflecting moderate integrity and anti-corruption efforts. The most recent Public Expenditure and Financial Accountability (PEFA) assessment, conducted in 2017, identified improvements in budget reliability and transparency. However, it also highlighted persistent weaknesses in internal controls, procurement practices, and audit coverage. The Government of Jordan has continued to implement Public Financial Management (PFM) reforms, including the adoption of program-based budgeting, upgrading of the Government Financial Management Information System (GFMIS), and steps toward fiscal decentralization. Nonetheless, challenges remain in areas such as internal audit independence, procurement oversight, and comprehensive financial reporting across government entities. Jordan's Supreme Audit Institution (SAI), the Audit Bureau, performs external audits on public sector entities. While the

Audit Bureau applies internationally recognized auditing standards, audit reports are not always published publicly, limiting transparency. The Treasury function, managed by the Ministry of Finance, operates under an adequate framework, though further modernization is needed to improve real-time financial monitoring and integration with e-payment systems.

Entity Level

The REGEF Up project will be implemented by a number of national institutions, including the Jordan Enterprise Development Corporation (JEDCO) as the lead agency, the Central Bank of Jordan (CBJ), the Agricultural Credit Corporation (ACC), the National Agricultural Research Center (NARC), the Jordan River Foundation (JRF), and the Extension Department of the Ministry of Agriculture. All of these entities have prior experience with IFAD-financed operations, gained through their participation in REGEF Phases I and II or the ongoing SIGHT project.

JEDCO will continue to host the Project Management Coordination Unit (PMCU). While it has demonstrated moderate capacity in financial coordination and reporting, the complexity of the REGEF Up financing structure will require adequate financial staffing and systems to ensure effective oversight and implementation. Given the project's national scope, the downstream nature of flow of funds expenditures, and the involvement of multiple implementing partners and service providers, the implementation arrangements are inherently complex. Key risks include delays in fund disbursement, inconsistencies in financial reporting, and fragmented internal control systems. Mitigating these risks will require strong adequate financing management and system, inter-agency coordination, and the early deployment of targeted capacity-building across all implementing entities.

Project Level

At the project level, REGEF Up presents substantial financial management risks due to its nationwide coverage, the number of implementing partners, and the diverse financing arrangements involving multiple financiers and modalities. Component 2 includes credit lines managed by the Agricultural Credit Corporation (ACC) and the Central Bank of Jordan (CBJ) through Participating Financial Institutions (PFIs). Component 1 involves the provision of grants to end beneficiaries, jointly implemented by the Project Management Coordination Unit (PMCU) and the Jordan River Foundation (JRF). The dispersion of financial responsibilities across multiple entities—each operating under distinct systems, staffing capacities, and financial procedures—heightens the risk of delayed reporting, inconsistent internal controls, and fragmented oversight.

These risks are further compounded by the significant volume of both cash and in-kind contributions, particularly from ACC and beneficiaries, which require robust tracking and verification mechanisms to avoid underreporting or misclassification.

Past IFAD-financed projects in Jordan—such as REGEP Phases I and II, and the SIGHT project—identified challenges in areas such as budget monitoring, weak controls over the use of loans and grants by end beneficiaries, limited full-time financial staff, and delays in submitting complete and timely financial and audit reports.

To mitigate these risks, REGEP Up will implement a comprehensive set of financial management strengthening measures. The PMCU will recruit a dedicated Finance Specialist and Accountant, who will be supported by JEDCO's Finance Manager and Internal Auditor. In parallel, targeted capacity-building activities will be carried out to enhance financial management, audit readiness, and reporting compliance among PMCU and implementing partner staff. The project will also procure a suitable accounting software system to support accurate financial tracking and timely reporting. The scope of the external audit will include verification—on a sample basis—of loans and grants disbursed to end beneficiaries, with complementary verification activities to be undertaken by the internal audit function, where feasible. In addition, regular coordination among financial focal points and active oversight by the PMCU will promote the harmonization of financial procedures and help ensure timely, consistent, and accurate financial reporting across all implementing entities. Detailed risk assessment summary in appendix 7.3.

Financial Management and Disbursement Arrangements

1. Organization and Staffing

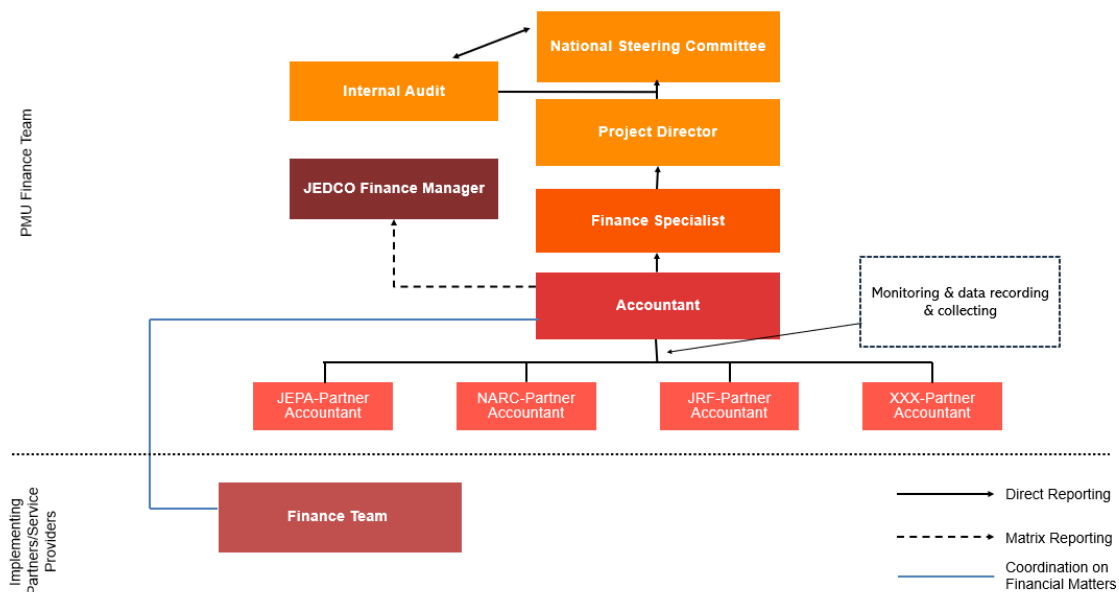
The Project Management Coordination Unit (PMCU), established under REGEP Phase II and hosted by the lead agency of JEDCO, will continue to bear overall responsibility for financial management across all project components under REGEP Up. The PMCU will oversee the Value Chain Component—implemented in coordination with the National Agricultural Research Center (NARC), the Jordan River Foundation (JRF), and the Extension Department of the Ministry of Agriculture—as well as portions of Component 2 (Rural Finance) and Component 3 (Project Management). The Credit line of the Rural Finance Component will be jointly implemented by the Agricultural Credit Corporation (ACC) and the Central Bank of Jordan (CBJ).

JEDCO and ACC, as semi-autonomous government institutions, bring prior experience in implementing IFAD funded projects. CBJ, an independent public financial authority, contributes strong institutional capacity and will administer on-lending through Participating Financial Institutions (PFIs).

Building on the lessons learned from REGEP Phase II, the financial management function under REGEP Up will require adequate staffing to ensure effective oversight and timely reporting. Accordingly, the PMCU will

be staffed with a full-time experienced Finance Specialist and an Accountant, competitively recruited from the local market and subject to IFAD's No Objection. This team will be supported by JEDCO's Finance Manager and Internal Auditor. Each implementing partner agency will designate a part-time accountant responsible for managing and recording project-related financial transactions under their respective components.

The PMCU finance team will be responsible for the overall financial management of the project, including fund flow coordination, budget execution, preparation of consolidated financial reports, and coordination with the external auditor. Below is a chart of the financial management team structure.



2. Budgeting

All project-related activities, including those under the Rural Finance Component, will be incorporated into an Annual Work Plan and Budget (AWPB). The AWPB will detail the planned activities, responsible implementing agencies, anticipated expenditures, and financing sources on a quarterly basis. Implementing partners will submit draft AWPBs to the PMCU, which will consolidate them for submission to the Project Steering Committee and IFAD for review and approval. The accounting system will feature a dedicated module for budget tracking to enable real-time monitoring, variance analysis, and necessary course corrections.

3. Disbursement and Flow of Funds

The project will utilize two primary disbursement methods: replenishment and direct payment. The PMCU will withdraw funds from IFAD Loans through quarterly interim financial reports. The proceeds from IFAD's PBAS and BRAM allocations will be deposited into a PMCU Pool Designated **Account in xxxx currency** at the Central Bank of Jordan (CBJ), managed by JEDCO's PMCU. These funds will then be transferred to a PMCU Pool Operating Account in Jordanian Dinar (JOD), to be opened at a commercial bank. All payments related to project activities—including grants, training, workshops, consultancy services, staff and operating costs, and support to the extension department at Ministry of Agriculture—will be processed from this operating account by the PMCU. Payments to implementing partners and service providers will be made in instalments, based on the terms of their signed contracts and in accordance with the approved Annual Work Plan and Budget (AWPB). These disbursements will be made from the pool operating account.

For the Rural Finance Component/Credit lines, separate Credit Line Bank Accounts will be opened by CBOJ and ACC to receive funds directly from IFAD through direct payment withdrawal applications submitted by the PMCU. A disbursement condition for these credit lines will be the signing of subsidiary agreements between the Ministry of Planning and International Cooperation (as the borrower), CBJ, ACC, and REGEF Up PMCU. The Central Bank of Jordan will on-lend funds to Participating Financial Institutions (PFIs), which will then extend loans to eligible end beneficiaries, including SMEs, entrepreneurs, and smallholder farmers. The Agricultural Credit Corporation (ACC) will provide credit directly to beneficiaries of smallholder farmers. Loan repayments from beneficiaries will flow back to ACC or, in the case of PFIs, through the PFIs to CBJ. These reflows will be used to replenish the credit lines for subsequent re-lending (revolving fund mechanism).

In parallel, financing from the Islamic Development Bank (IsDB) will be managed through its own designated and operating accounts in the original loan currency. These accounts will operate independently but in alignment with the overall objectives of the REGEF Up project.

A schematic representation of the fund flows is provided in the attached Appendix 7.1 – Flow of Funds Diagram.

4. Internal Controls and Internal Audit

The project will be implemented in accordance with the Financial Control By-law (2011) and its Amendment (2015), which provide the overarching framework for financial oversight and internal controls in Jordan. These

regulations define procedures for financial review and approval, enforce the segregation of duties, and assign roles and responsibilities across the Ministry of Finance (MoF), line ministries, and implementing entities to ensure sound financial governance.

The Project Implementation Manual (PIM), developed during the design phase, outlines the financial management arrangements specific to the project. It details the internal control framework, including the responsibilities of key actors, documentation standards, and financial reporting requirements. The PIM will be reviewed and updated during the project's start-up phase and periodically thereafter to ensure alignment with operational realities and fiduciary standards.

The internal audit department at JEDCO currently carries out a combination of ex-ante controls, such as pre-approval reviews of expenditures, and ex-post audits targeting high-risk areas, as defined in its annual risk-based audit plan. However, its effectiveness is limited by human resource constraints. Therefore, to strengthen assurance over the use of funds, the Terms of Reference (ToR) for the external auditor will include the verification of a sample of grants and loans extended to end beneficiaries, to confirm that expenditures are aligned with intended purposes and IFAD fiduciary requirements. Where feasible, JEDCO's internal audit unit may also conduct similar verifications as part of its audit work plan during project implementation, subject to capacity.

5. Accounting and Financial Reporting

The PMCU at JEDCO will be responsible for maintaining consolidated financial records in accordance with International Public Sector Accounting Standards (IPSAS) – Cash Basis. The accounting system will record all eligible expenditures financed by IFAD (PBAS and BRAM), the Islamic Development Bank (IsDB), and other international and domestic co-financiers. To ensure transparency and traceability, the project will establish separate ledgers within the accounting system to track income and expenditures by each financing source individually.

Under the cash basis of accounting, advances provided to implementing partners, including those for credit lines, will be recorded as expenditures at the time of disbursement. To ensure accountability and transparency, the project will maintain detailed subsidiary records to monitor the actual use of funds by the Central Bank of Jordan (CBOJ), the Agricultural Credit Corporation (ACC), and other implementing partners.

To support efficient financial management and reporting, the project will procure and implement an accounting software system—either QuickBooks

(as used under REGEP Phases I and II) or a comparable solution tailored to the project's requirements. The project will submit to IFAD: Quarterly Interim Financial Reports (IFRs), and Annual audited consolidated financial statements. The IFRs will include: Sources and uses of funds by financier, category, and component; Budget-to-actual comparisons (quarterly, annual, and cumulative); A Designated Account activity statement; Annexes detailing actual expenditures incurred by implementing partners; Summary of loans disbursed by CBJ and ACC

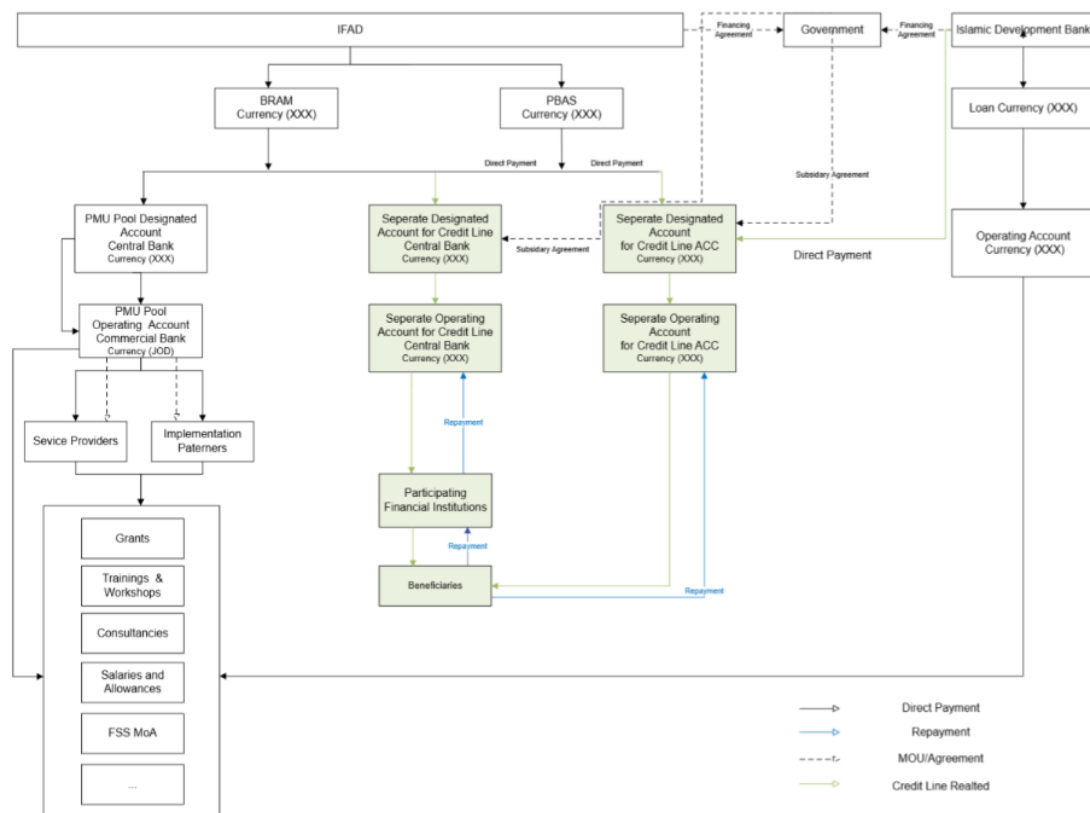
6. External Audit

The external audit of the project will be carried out by the Audit Bureau of Jordan (ABoJ), the country's Supreme Audit Institution (SAI). ABoJ will conduct an annual audit of the project's consolidated financial statements in accordance with internationally accepted auditing standards and IFAD's financial reporting and audit requirements. A private audit firm can be engaged in case ABoJ is not able to carry out the audit. The audit scope will include the application of agreed-upon procedures to verify the eligibility of expenditures, as well as the verification—on a sample basis—of loans and grants disbursed to end beneficiaries, to confirm that the funds have been used for their intended purposes. The Terms of Reference (ToR) for the annual external audit will be subject to IFAD's No Objection. The audit report, along with the management letter, will be required to be submitted to IFAD within six months of the end of the fiscal year.

FM Supervision plan

During implementation, PFM will assess and monitor the adequacy of the implementing agencies financial management arrangements such as accounting, budgeting, internal controls, flow of funds, financial reporting, and the auditing practices through supervision missions. The focus in the start up phase should be to ensure smooth flow of funds and the reporting and coordination mechanism among the different implementing agencies. In the case that IFAD identifies weaknesses in the financial arrangements, it will require implement agency to take the appropriate measures to mitigate those risks.

Appendix 7.1: Flow of Funds Diagram



Appendix 7.2: Financial Management Action Summary

Action	Target Date	Covenant Type
Qualified FM staff to be hired through a competitive process and TORs to be cleared by IFAD.	Within 3 months from first disbursement	Covenant
FM staff to complete IFAD e-learning on FM procedures and submit certification to IFAD.	Within 3 months	Disbursement Condition
PMCU to be established within JEDCO and recruitment of Project Director	Before disbursement	Disbursement Condition
Project Implementation Agreements to be signed between JEDCO PMCU and key implementing partners (NARC, etc).	Before disbursement to these parties	Covenant
Subsidiary agreements for Credit line to be signed between Ministry of Planning and International Cooperation and JEDCO with ACC and Central Bank of Jordan and approved by IFAD.	Before rural finance disbursement	Disbursement Condition
Opening of the Pool Designated Account with specified operating mandate.	Before disbursement	Disbursement Condition
Operational accounting software at PMCU	Within 3 months from effectiveness	Technical Condition
Quarterly financial progress reports to be submitted to IFAD.	Quarterly	Dated Covenant
Submission of the annual audit report within six months from the end of financial year	Annual	Covenant

Appendix 7.3: Project Financial Management Risk Matrix

Summary	Brief Description of Issues	Inherent Risk at Design (H/S/M/L)	Covenants Precedent to Disbursement	Mitigation Measures	Residual Risk
Inherent risks					
Country-Level Risk	Jordan's financial governance remains moderately vulnerable despite CPI improvements and previous PEFA gaps.	M	None specific to country-level; monitored contextually.		M
Entity and Project Design	Although all implementing entities have prior experience working with IFAD, the overall implementation structure remains inherently complex due to the involvement of multiple institutions, the diverse nature of project activities, and the project's nationwide geographical coverage	S			S
Control Risks					

Organizational and Staffing	The absence of full-time financial management staff and coordination challenges among implementing partners may undermine effective financial oversight and control.	S		A centralized PMCU will continue to operate within JEDCO, with the recruitment of a full-time Finance Specialist and Accountant dedicated fully to the project. This core team will be supported by JEDCO's Finance Manager and Internal Auditor to ensure effective financial oversight, coordination, and compliance with financial management requirements.	S
Budgeting	Lack of familiarity with IFAD budgeting standards; risk of delays and	M		The Annual Work Plan and Budget (AWPB) should be submitted at least two months	M

	unrealistic budgets.			prior to the start of the financial year. In addition, the project will establish a mechanism for systematic monitoring of budget versus actuals, with timely adjustments made as needed to ensure budget realism and alignment with project activities.	
Funds Flow & Disbursements	Complex fund structure; risk of delays; flow of funds from different sources .	S	Signed subsidiary agreements between the Ministry of Planning and International Cooperation (MoPIC), JEDCO, and both ACC and CBJ will be required prior to any disbursement Opening of the pool	Quarterly Interim Financial Reports (IFRs) together with a cash flow forecast and Withdrawal Applications (WAs) to enable timely disbursements and effective liquidity planning. A separate ledger will	S

			designated account	be maintained for each source of financing, with monthly reconciliations conducted to ensure accurate financial tracking and reporting across all funding streams.	
Internal Controls	Inconsistent internal controls across entities—due to system differences, capacity gaps, and complex fund flows—pose risks of financial mismanagement and weak supporting documents and fiduciary oversight. Limited internal audit capacity at JEDCO due to resource constraints may hinder timely	H		Adherence to the Financial Control By-law (2011) and its Amendment (2015) to guide control processes and segregation of duties. Adopt the Financial management of the PIM, which has been prepared during design Where feasible,	H

	identification of control weaknesses and limit assurance on the use of Grants and Loan extended to end beneficiaries for intended purposes.			include verification of a sample of loans and grants disbursed to end beneficiaries as part of internal audit annual workplan Include in the annual external audit Terms of Reference (ToR) a requirement for sample-based verification of grants and loans to end beneficiaries.	
Accounting and financial reporting	Inadequate accounting systems, limited staffing, and inconsistencies in accounting standards required by different financiers may result in delays, reporting errors, and reduced transparency	S		Implement an appropriate accounting software system Adopt IPSAS basis for the project's accounts Monitor systematically the actual expenditure	S.

	in financial reporting.			s incurred by implementing partners and credit lines capture and record domestic contributions Timely submission of the quarterly interim financial reports	
External Audit	Non-adherence to the audit scope outlined in the approved Terms of Reference (ToR) and delays in the submission of external audit reports may compromise accountability and fiduciary compliance.	S		Engage the Audit Bureau of Jordan to perform an external audit and discuss the audit schedule before the end of the financial year. Conduct pre-and post audit meeting with auditor to discuss the TORs and the draft audit report	S
Overall risk		S			S

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Annex 8: 18-month Procurement Plan

Mission Dates: 26/04 to 16/05/2025

Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
Programme Management Department

Annex 8: 18-month Procurement Plan

1. Programme Overview

Country:	The Hashemite Kingdom of Jordan
Programme Full Name and Number:	REGEP-UP
IFAD Loan / Grant amount (\$):	US\$ 49,385,700 (US\$ 15 million from IFAD; US\$ 10.6858 million from IsDB)
Loan/Grant Number:	TBA
List of Key Components:	C1- Resilient and Inclusive Value Chain Development 1.1 Micro-entrepreneurs' Production & Processing 1.2 Value Chain and SME Development C2- Inclusive & Catalytic Rural Finance 2.1 Improved Access to finance for MSMEs 2.2 Strengthened technical capacity of PFIs 2.3 Improved Financial literacy among rural residents C3- Programme management & Policy Support

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2. List of Major Procurements under the Programme

REGEP-UP primarily revolves around programmes executed by grantees and debtors. Together, they constitute 86.4% of programme funds. Consulting services comes next at 24.1% followed by 3.7% for operational expenditure and 0.3% for goods.

Table 1 - Approximate distribution of cost categories under REGEP-UP

Category	Approximate Percentage
1. EQUIPMENT & MATERIALS	0.3
2. CONSULTANCIES	9.8
3. GRANTS & SUBSIDIES	24.1
4. CREDITS	62.3
5. SALARIES & ALLOWANCES	3.7

As can be seen from the table above, the majority of the programme budget is dedicated to credits/loans, followed by grants and then consulting services. The below breakdown of key contract packages distinguished them based on category.

Works	The programme design does not foresee execution of procurement activities directly by any implementing agency/PIU. Works contracts will be procured directly by grant beneficiaries for rainwater harvesting, irrigation and hydroponic systems, etc. Hence, the PPS excludes strategic planning for works.
Goods	G.1 Procurement of 2 Vehicles (US\$ 63,100¹ funded by IsDB) G.2 Procurement of Office Furniture and Office Equipment in 2 lots (US\$ 57,400 funded by IsDB) G.3 Procurement of off-the-shelf IT systems (software) (US\$ 14,300 funded by IsDB) G.4 Office Rental (NCS) (US\$ 160,100 funded by IsDB) G.5 Fuel for 9 Vehicles (US\$ 49,200) G.6 O&M for 9 vehicles (US\$ 47,700 funded by IsDB)

¹ All mentioned prices are inclusive of taxes and contributions unless otherwise stated.

	G.7 Procurement of M&E Equipment and Devices (GPS and tablets) (US\$ 2,400) G.8 Miscellaneous workshops, trade fairs, exhibitions and events (NCS)
Services	S.1 Implementing Partner for Capacity Building and Grant Management – Window 1 (US\$ 1.4991 million) S.2 Implementing Partner for Monitoring, Mentoring and Supporting Grantees and exchange visits – Window 1 (US\$ 892,300) S.3 Business mentoring advisory services and e-learning for microentrepreneurs (US\$ 355,200) S.4 Technical Assistance and TOT for gender and nutrition (US\$ 177,000) S.5 Support to the development/enhancement of digital marketing and digital connectivity platforms (SMEs and farmers) (US\$ 145,400) S.6 Implementing Partner for Analysis and Targeting and Grant Management – Window 2 (US\$ 74,600) S.7 Implementing Partner for Digital Monitoring and Supporting Grantees – Window 2 (US\$ 62,500) S.8 Capacity Building for SMEs (production, harvesting, handling, grading, certification, standards, H&S, BDS, etc.) (US\$ 384,700) S.9 Technical Assistance and training to PFIs (US\$ 255,300) S.10 Farmer Financial Literacy Trainings (US\$ 251,400) S.11 Baseline Survey (US\$ 86,000) S.12 Midterm Survey (US\$ 95,700) S.13 End-line/Impact Survey (US\$ 99,100) S.14 M&E MIS development/enhancement plus maintenance (US\$ 38,100) S.15 Annual Audit (US\$ 10,000) S.16 PIU Staff Recruitment (7 positions for US\$ 1,5021 million) S.17 Technical Assistance to the Higher Council for Food Security (US\$ 21,100) S.18 Advisory services for inputs to NFSS review (US\$ 57,000) S.19 Advisory services for inputs to new Agri strategy (US\$ 35,600)
Grants	Gr.1 Grant Window 1 for Small-Holder Farmers (Water efficiency for small scale production) (US\$ 2.9437 million) Gr.2 Grant Window 1 for Small-Holder Farmers (processing) (US\$ 2.9437 million) Gr.3 Grant Window 2 for SMEs (US\$ 5.6913 million) Gr.green Grant window for green jobs (US\$ 301,900)

3. Overview of Country, Borrower and Marketplace

a. Operational Context

i. Governance aspects

Political Situation	Jordan enjoys a stable political situation that is favourable for development and foreign aid. Below are the ratings of Jordan for SDG16:

	SDG 16: Peace, justice and strong institutions ● ↑ Homicides ● ↑ Crime is effectively controlled ● ** Unsentrined detainees ● ** Birth registrations with civil authority ● ↓ Corruption Perceptions Index ● ** Children involved in child labor ● ** Exports of major conventional weapons ● ↓ Press Freedom Index ● → Access to and affordability of justice ● → Timeliness of administrative proceedings ● ↓ Expropriations are lawful and adequately compensated																																																																																																																																						
Bureaucracy	The World Bank’s worldwide governance indicators² over the years 2013, 2018 and 2023 for Jordan are as follows: <table><tr><th>Indicator</th><th>Country</th><th>Year</th><th>Percentile Rank (0 to 100)</th></tr><tr><td rowspan="3">Voice and Accountability</td><td rowspan="3">Jordan</td><td>2013</td><td> </td></tr><tr><td>2018</td><td> </td></tr><tr><td>2023</td><td> </td></tr><tr><td rowspan="3">Political Stability and Absence of Violence/Terrorism</td><td rowspan="3">Jordan</td><td>2013</td><td> </td></tr><tr><td>2018</td><td> </td></tr><tr><td>2023</td><td> </td></tr><tr><td rowspan="3">Government Effectiveness</td><td rowspan="3">Jordan</td><td>2013</td><td> </td></tr><tr><td>2018</td><td> </td></tr><tr><td>2023</td><td> </td></tr><tr><td rowspan="3">Regulatory Quality</td><td rowspan="3">Jordan</td><td>2013</td><td> </td></tr><tr><td>2018</td><td> </td></tr><tr><td>2023</td><td> </td></tr><tr><td rowspan="3">Rule of Law</td><td rowspan="3">Jordan</td><td>2013</td><td> </td></tr><tr><td>2018</td><td> </td></tr><tr><td>2023</td><td> </td></tr><tr><td rowspan="3">Control of Corruption</td><td rowspan="3">Jordan</td><td>2013</td><td> </td></tr><tr><td>2018</td><td> </td></tr><tr><td>2023</td><td> </td></tr></table> Comparing the 2023 indicators of Jordan with those of Iraq, Egypt and Kuwait (for comparative analysis): <table><tr><th>Indicator</th><th>Country</th><th>Year</th><th>Percentile Rank (0 to 100)</th></tr><tr><td rowspan="4">Voice and Accountability</td><td>Egypt, Arab Rep.</td><td>2023</td><td> </td></tr><tr><td>Iraq</td><td>2023</td><td> </td></tr><tr><td>Jordan</td><td>2023</td><td> </td></tr><tr><td>Kuwait</td><td>2023</td><td> </td></tr><tr><td rowspan="4">Political Stability and Absence of Violence/Terrorism</td><td>Egypt, Arab Rep.</td><td>2023</td><td> </td></tr><tr><td>Iraq</td><td>2023</td><td> </td></tr><tr><td>Jordan</td><td>2023</td><td> </td></tr><tr><td>Kuwait</td><td>2023</td><td> </td></tr><tr><td rowspan="4">Government Effectiveness</td><td>Egypt, Arab Rep.</td><td>2023</td><td> </td></tr><tr><td>Iraq</td><td>2023</td><td> </td></tr><tr><td>Jordan</td><td>2023</td><td> </td></tr><tr><td>Kuwait</td><td>2023</td><td> </td></tr><tr><td rowspan="4">Regulatory Quality</td><td>Egypt, Arab Rep.</td><td>2023</td><td> </td></tr><tr><td>Iraq</td><td>2023</td><td> </td></tr><tr><td>Jordan</td><td>2023</td><td> </td></tr><tr><td>Kuwait</td><td>2023</td><td> </td></tr><tr><td rowspan="4">Rule of Law</td><td>Egypt, Arab Rep.</td><td>2023</td><td> </td></tr><tr><td>Iraq</td><td>2023</td><td> </td></tr><tr><td>Jordan</td><td>2023</td><td> </td></tr><tr><td>Kuwait</td><td>2023</td><td> </td></tr><tr><td rowspan="4">Control of Corruption</td><td>Egypt, Arab Rep.</td><td>2023</td><td> </td></tr><tr><td>Iraq</td><td>2023</td><td> </td></tr><tr><td>Jordan</td><td>2023</td><td> </td></tr><tr><td>Kuwait</td><td>2023</td><td> </td></tr></table> Among the 4 comparator countries, Jordan ranks top in Government Effectiveness and second to Kuwait in all other 5 indicators.	Indicator	Country	Year	Percentile Rank (0 to 100)	Voice and Accountability	Jordan	2013		2018		2023		Political Stability and Absence of Violence/Terrorism	Jordan	2013		2018		2023		Government Effectiveness	Jordan	2013		2018		2023		Regulatory Quality	Jordan	2013		2018		2023		Rule of Law	Jordan	2013		2018		2023		Control of Corruption	Jordan	2013		2018		2023		Indicator	Country	Year	Percentile Rank (0 to 100)	Voice and Accountability	Egypt, Arab Rep.	2023		Iraq	2023		Jordan	2023		Kuwait	2023		Political Stability and Absence of Violence/Terrorism	Egypt, Arab Rep.	2023		Iraq	2023		Jordan	2023		Kuwait	2023		Government Effectiveness	Egypt, Arab Rep.	2023		Iraq	2023		Jordan	2023		Kuwait	2023		Regulatory Quality	Egypt, Arab Rep.	2023		Iraq	2023		Jordan	2023		Kuwait	2023		Rule of Law	Egypt, Arab Rep.	2023		Iraq	2023		Jordan	2023		Kuwait	2023		Control of Corruption	Egypt, Arab Rep.	2023		Iraq	2023		Jordan	2023		Kuwait	2023	
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Law Enforcement	The legal system in Jordan is well established and ranks very competitively in the region. It is expected that contractual breaches will be suitably addressed. In the case of grants and possible breach of contract, previous experiences under REGEF followed a three-step approach to recovery of funds: (1) amicable resolution by the I.A. and grantee; (2) referral to JEDCO; (3) referral to judicial system for																																																																																																																																						

² <https://www.worldbank.org/en/publication/worldwide-governance-indicators> accessed 28 April 2025.

	recovery. Despite presence of such cases of breach, there are no records of recovery through the judicial system.
Corruption	As of 2024, Jordan's CPI score is 49% (ranking at 59 out of 180 countries) with a 3-point increase since 2023. ³ In grants that are of a medium-large size, there is active interference by "agents" or transaction facilitators/"consultants" who can corrupt an otherwise open and competitive process. The mismanagement of grants remains the primary risk under the new programme especially that it was reported under REGEP that auditors failed to reach to grantees in several instances. In order to curb corruption, tax evasion, and fraud, the government mandated starting 1 April 2025 to use e-invoicing. The application of this mandatory e-invoice (invoice with a QR code that can be tracked and validated) will reduce fake invoicing that could have been used by grantees to justify the spending and the disbursement of the second payment.
Fragility	Not applicable for Jordan; however, there is a sizeable community of displaced Syrian citizens in Jordan which may affect economic, environmental and social programme objectives.
Relevant Legislation	<u>Procurement management:</u> As per national legislation, procurement is centralized for activities above the threshold or in case of some specialized procurement. For example, the Ministry of Digital Economy and Entrepreneurship coordinates all ICT-related procurement. Furthermore, the procurement of vehicles, furniture and air conditioners requires the explicit clearance of the Presidency of the Council of Ministers. The aim is to control expenditures and adopt better asset management in the public sector. E-procurement (JONEPS) is used as the sole central system for activities above the threshold (> 60,000 for goods and services and > 500,000 for works). For lower threshold activities, the system is not yet being used. <u>Financial management:</u> the GoJ uses a centralized platform (GFMIS: http://www.gfmis.gov.jo/en) but that does not yet cover donor-funds. All public financial transactions are executed on the system. The platform tackles procurement management as well: "handles the implementation and following up of all matters related to the procurement methods, such as purchasing works, technical services, and supplies (goods and services). This process covers the whole procurement business cycle, starting with determining the need (purchase requests), till the final delivery according to the budget institutions special requirements." However, the overlap with JONEPS is not clear. <u>Staff recruitment:</u> the Civil Service board is in charge with civil servant recruitment; however, there have been recent changes where the board allows public entities to first advertise internally for the vacancy; if unsuccessful, the entity can advertise externally and the civil service board participates in the selection process.
Procurement Law	- Procurement Law No. 8 of 2022 - Procurement Regulations No. 15 of 2022 - Procurement Policies Paper- Feb 2021 - Others...

³ <https://www.transparency.org/en/cpi/2024> accessed 28 April 2025.

ii. Economic Aspects

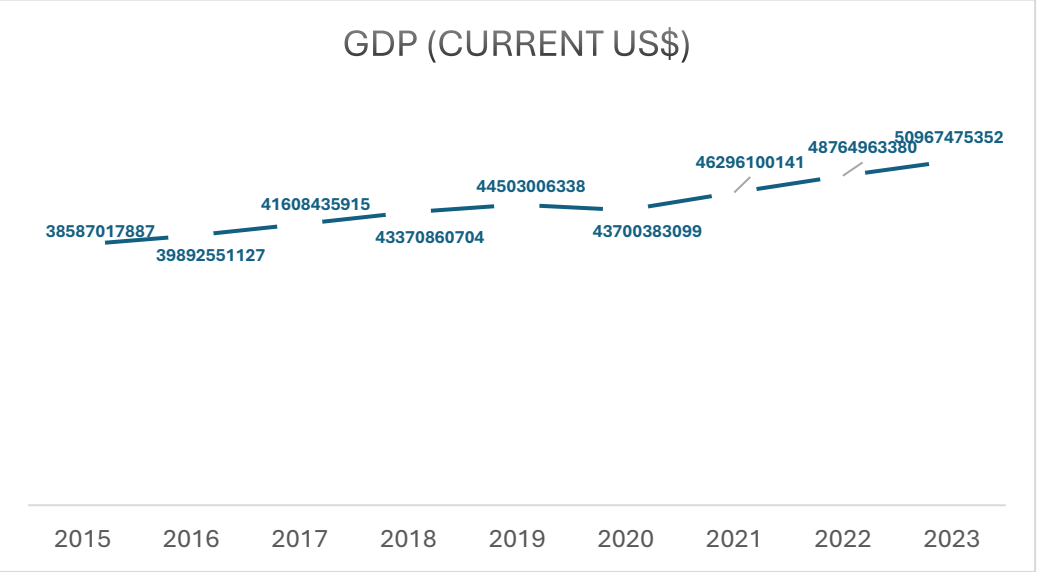
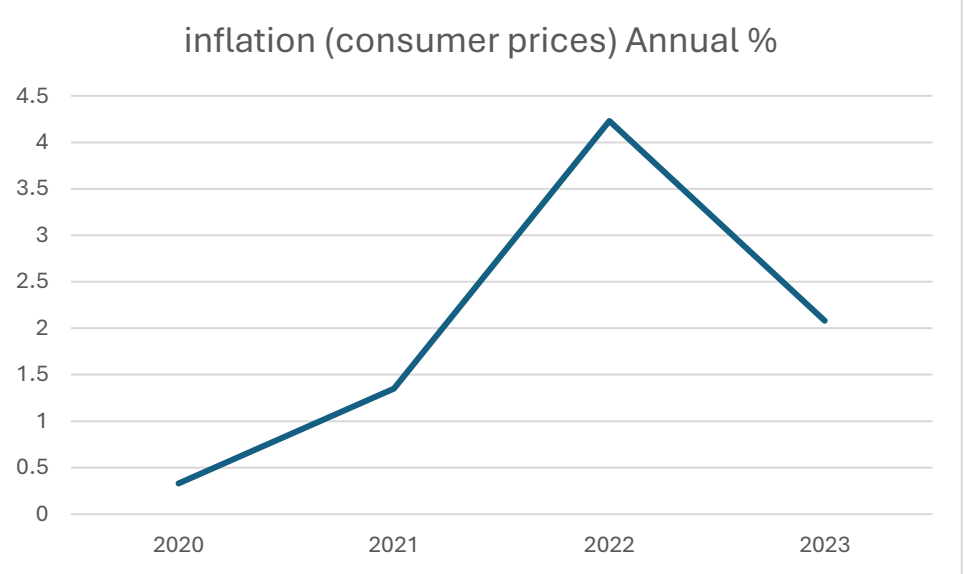
Growth	The below ratings of key indicators for SDG 8 and 9 reflect the economic situation in Jordan. SDG 8: Decent work and economic growth - Adjusted GDP growth - Victims of modern slavery - Adults with an account at a bank or other financial institution or with a mobile-money-service provider - Unemployment rate - Fundamental labor rights are effectively guaranteed - Fatal work-related accidents embodied in imports - Victims of modern slavery embodied in imports SDG 9: Industry, innovation and infrastructure - Rural population with access to all-season roads - Population using the internet - Mobile broadband subscriptions - Logistics Performance Index: Infrastructure Score - The Times Higher Education Universities Ranking: Average score of top 3 universities - Articles published in academic journals - Fatal work-related accidents embodied in imports - Expenditure on research and development  Figure 1 - GDP Data - Jordan - World Bank Data As per the CBJ, the real economic growth in 2024 has been 2.5%.
Inflation	As per World Bank data, inflation is dropping after a peak in 2022: 

	Figure 2 - Inflation - Jordan - World Bank Data As per the Central Bank of Jordan, the Inflation in Jan-Mar 2025 is 2.02%.																																								
Exchange Rate	The JOD currency is stable with fixed exchange rate to major other currencies.																																								
Imports	Import and Export Statistics (% of GDP) <table><thead><tr><th>Year</th><th>High-technology exports (% of manufactured exports) TX.VAL.TECH.MF.ZS</th><th>Imports of goods and services (% of GDP) NE.IMP.GNFS.ZS</th><th>Exports of goods and services (% of GDP) NE.EXP.GNFS.ZS</th></tr></thead><tbody><tr><td>2015</td><td>2.0</td><td>58.0</td><td>35.0</td></tr><tr><td>2016</td><td>3.0</td><td>54.0</td><td>33.0</td></tr><tr><td>2017</td><td>2.0</td><td>55.0</td><td>34.0</td></tr><tr><td>2018</td><td>2.0</td><td>53.0</td><td>35.0</td></tr><tr><td>2019</td><td>2.0</td><td>50.0</td><td>36.0</td></tr><tr><td>2020</td><td>2.0</td><td>42.0</td><td>24.0</td></tr><tr><td>2021</td><td>2.0</td><td>50.0</td><td>30.0</td></tr><tr><td>2022</td><td>2.0</td><td>61.0</td><td>42.0</td></tr><tr><td>2023</td><td>2.0</td><td>57.0</td><td>43.0</td></tr></tbody></table> Figure 3 - Export/Import statistics - Jordan - World Bank Data	Year	High-technology exports (% of manufactured exports) TX.VAL.TECH.MF.ZS	Imports of goods and services (% of GDP) NE.IMP.GNFS.ZS	Exports of goods and services (% of GDP) NE.EXP.GNFS.ZS	2015	2.0	58.0	35.0	2016	3.0	54.0	33.0	2017	2.0	55.0	34.0	2018	2.0	53.0	35.0	2019	2.0	50.0	36.0	2020	2.0	42.0	24.0	2021	2.0	50.0	30.0	2022	2.0	61.0	42.0	2023	2.0	57.0	43.0
Year	High-technology exports (% of manufactured exports) TX.VAL.TECH.MF.ZS	Imports of goods and services (% of GDP) NE.IMP.GNFS.ZS	Exports of goods and services (% of GDP) NE.EXP.GNFS.ZS																																						
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Development Assistance	As per the World Bank Development Indicators, Official Development Assistance over the years in Jordan is as follows: Net official development assistance and official aid received (current US\$) <table><thead><tr><th>Year</th><th>Net official development assistance and official aid received (current US\$)</th></tr></thead><tbody><tr><td>2015</td><td>2,100,000,000.00</td></tr><tr><td>2016</td><td>2,700,000,000.00</td></tr><tr><td>2017</td><td>2,900,000,000.00</td></tr><tr><td>2018</td><td>2,500,000,000.00</td></tr><tr><td>2019</td><td>2,600,000,000.00</td></tr><tr><td>2020</td><td>3,100,000,000.00</td></tr><tr><td>2021</td><td>3,400,000,000.00</td></tr><tr><td>2022</td><td>2,000,000,000.00</td></tr></tbody></table> Figure 4 - ODA - Jordan - World Bank Data	Year	Net official development assistance and official aid received (current US\$)	2015	2,100,000,000.00	2016	2,700,000,000.00	2017	2,900,000,000.00	2018	2,500,000,000.00	2019	2,600,000,000.00	2020	3,100,000,000.00	2021	3,400,000,000.00	2022	2,000,000,000.00																						
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Employment & Labor	Employment in agriculture is relatively low as per the below plot extracted from World Bank Data:																																								

employment in agriculture (%
of total employment)

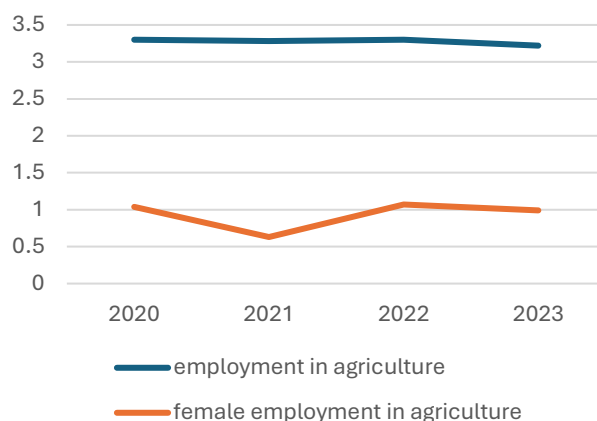


Figure 5 - Employment in Agriculture - Jordan

iii. Sustainability Aspects

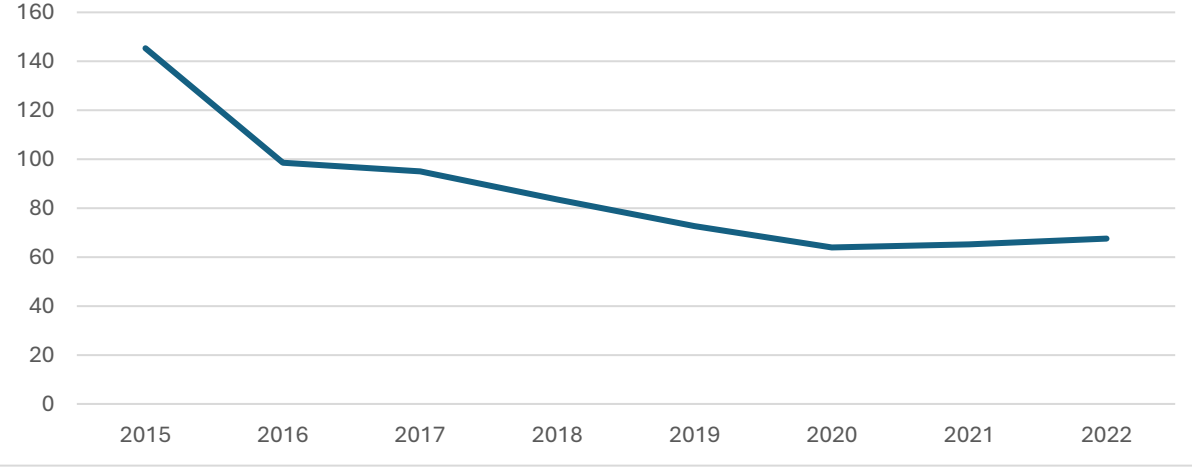
SDG Ratings	As per the SDG Report (2024)⁴, Jordan's SDG Index rank is 85 out of 166 countries. The Index score is 69.1. SDG 1: ● → Poverty headcount ratio at \$2.15/day SDG 2: ● ** Prevalence of undernourishment SDG 3: ● ↑ Maternal mortality ratio SDG 4: ● ** Participation rate in pre-primary organized learning SDG 5: ● → Demand for family planning satisfied by modern methods SDG 6: ● ↑ Population using at least basic drinking water services SDG 7: ● ↑ Population with access to electricity SDG 8: ● ** Adjusted GDP growth SDG 9: ● ** Rural population with access to all-season roads SDG 10: ● ** Gini coefficient SDG 11: ● → Proportion of urban population living in slums SDG 12: ● ** Municipal solid waste SDG 13: ● ↑ CO₂ emissions from fossil fuel combustion and cement production SDG 14: ● ** Mean area that is protected in marine sites important to biodiversity SDG 15: ● → Mean area that is protected in terrestrial sites important to biodiversity SDG 16: ● ↑ Homicides SDG 17: ● ↓ Government spending on health and education
Social Protection	SDGs 1 to 5 latest ratings are as follows:

⁴ <https://dashboards.sdgindex.org/profiles/jordan/indicators> accessed 28 April 2025.

	SDG 1: No poverty ● → Poverty headcount ratio at \$2.15/day ● → Poverty headcount ratio at \$3.65/day SDG 2: Zero hunger ● ● Prevalence of undernourishment ● ● Prevalence of wasting in children under 5 years of age ● → Cereal yield ● ● Prevalence of stunting in children under 5 years of age ● ↓ Prevalence of obesity, BMI ≥ 30 ● → Sustainable Nitrogen Management Index ● ↓ Human Trophic Level ● ● Exports of hazardous pesticides SDG 3: Good health and well-being ● ↑ Maternal mortality ratio ● ↓ Age-standardized death rate due to cardiovascular disease, cancer, diabetes, or chronic respiratory disease in adults aged 30 to 70 years ● ↑ Adolescent fertility rate ● ↑ Neonatal mortality rate ● ● Age-standardized death rate attributable to household air pollution and ambient air pollution ● ● Births attended by skilled health personnel ● ↑ Mortality rate, under-5 ● ↑ Traffic deaths ● ↓ Surviving infants who received 2 WHO-recommended vaccines ● ↑ Incidence of tuberculosis ● ↓ Life expectancy at birth ● ↓ Universal health coverage (UHC) index of service coverage ● ↑ New HIV infections ● ↓ Subjective well-being SDG 4: Quality education ● ● Participation rate in pre-primary organized learning ● ↓ Lower secondary completion rate ● ● Net primary enrollment rate ● ● Literacy rate SDG 5: Gender equality ● → Demand for family planning satisfied by modern methods ● → Ratio of female-to-male mean years of education received ● ↓ Ratio of female-to-male labor force participation rate ● → Seats held by women in national parliament
Education, Health & Vulnerable Groups	SDG 4: Quality education ● ● Participation rate in pre-primary organized learning ● ↓ Lower secondary completion rate ● ● Net primary enrollment rate ● ● Literacy rate SDG 10: Reduced inequalities ● ● Gini coefficient ● ● Palma ratio
Local Practices & Standards	Jordan withdraws about 51.65% (2021) of its fresh water for the agricultural sector. The Agricultural exports are at 0.34% and imports 1.10% (as of 2023) as percent of merchandise exports/imports. Value-add of Agriculture, forestry and fishing is 4.81% of GDP (2023). Gross National Expenditure is 119.87% of GDP (2021).
Waste Management	Jordan's performance in SDG 12 is noticeable: SDG 12: Responsible consumption and production ● ● Municipal solid waste ● → Air pollution associated with imports ● ↑ Exports of plastic waste ● ● Electronic waste ● ↑ Production-based nitrogen emissions ● ↑ Production-based air pollution ● ↑ Nitrogen emissions associated with imports
Relevant Legislation	- Procurement Law No. 8 of 2022 - Procurement Regulations No. 15 of 2022 - Procurement Policies Paper- Feb 2021 - Guidelines on Negotiations for Goods, 2024 - Other guidance and decisions

iv. Technological Aspects

Internet	In 2023, 92.5% of population uses the internet (compared to 78.4% in 2020).

Digital divide	Mobile cellular subscriptions (per 100 people)  <table border="1"> <caption>Mobile cellular subscriptions (per 100 people) - Jordan</caption> <thead> <tr> <th>Year</th> <th>Subscriptions (per 100 people)</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>145</td> </tr> <tr> <td>2016</td> <td>100</td> </tr> <tr> <td>2017</td> <td>95</td> </tr> <tr> <td>2018</td> <td>85</td> </tr> <tr> <td>2019</td> <td>75</td> </tr> <tr> <td>2020</td> <td>65</td> </tr> <tr> <td>2021</td> <td>65</td> </tr> <tr> <td>2022</td> <td>68</td> </tr> </tbody> </table> <i>Figure 6 - Cellular subscriptions - Jordan - World Bank Data</i>	Year	Subscriptions (per 100 people)	2015	145	2016	100	2017	95	2018	85	2019	75	2020	65	2021	65	2022	68
Year	Subscriptions (per 100 people)																		
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2016	100																		
2017	95																		
2018	85																		
2019	75																		
2020	65																		
2021	65																		
2022	68																		
Access to Information	Jordan has an Access to Information Law (No. 47 of 2007): Law on Guarantee of Access to Information. In March 2024, Jordan enacted significant amendments to the law to align it more closely with international standards concerning Proactive Disclosure (Public institutions are now required to proactively publish key information, reducing the need for formal requests), Expanded Access (The right to access information has been extended to non-Jordanian residents), Information Council Reform (The Information Council has been restructured to include representatives from civil society, the Journalists' Syndicate, and the Lawyers' Syndicate, enhancing oversight and inclusivity), and Reduced Response Time (The timeframe for public bodies to respond to information requests has been shortened from 30 to 15 days).																		

v. Key Conclusions of Operational Context analysis and IFAD-PRM Part A

Impact of Operational Context on Programme Procurement	
Governance	The governance framework for programme execution is strong and entrenched within the institutional setup of PP in Jordan. GTD and GPD are the central procuring entities for high-volume procurement, while the Procurement Policies Committee at the CoM handles regulation. Procurement authorities are well elaborated with a sophisticated structure involving multi-tier committees and authority levels. The highly-regulated procurement market comes at a contrast with the highly unregulated grants market. Grant management will be based solely on the design and PIM provisions in agreement with IFAD. This necessitates proper oversight and internal control.
Economic	Jordan enjoys a stable economy with noticeable growth and stable currency. However, attracting competition and motivating the consulting services' market remains the main challenge inherited from previous programmes in Jordan.
Sustainability	The programme has a noticeable sustainability impact as it addresses key challenges and developmental needs. Jordan has advanced with respect to E&S standards but the programme will need to closely monitor SECAP compliance especially in grants.
Technological	The programme will capitalize on e-payment platforms in Jordan as well as on the strong cellular network for the administration of grants and loans.

Summary of Key PRM Issues (Part A)

- **The public procurement system is regulated through the National Regulation no. 8/2022 and to National Instructions relevant to Procurement process and procedures issued on the 16/02/2022 in which comprehensive rules and processes are enacted and the strengths areas are visible in terms of using competitive methods as the default method, detailed processes and procedures to follow, including Sustainability elements in the regulations.**
- **However, some areas need to be improved to align with IFAD guidelines such as: the rules of advertisement, using the national E-procurement system for all procurement operations despite the thresholds; developing SBD and contracts in compliance to the international best practices.**
- **The procurement system is decentralized under which each contracting entity is required to apply the procedures of the Public Procurement, the responsibilities and powers of procuring entities are defined in the Procurement Regulation in addition to specific thresholds.**
- **However, procurements for goods and services exceeding JOD 60,000 are procured centrally in a dedicated central purchasing body. Every procuring entity shall prepare a procurement plan on yearly basis; the General Budget Law details the financial procedure and procurement cycle; Conflict of interest is covered by the national procurement regulation; the use of E-Procurement; the Ministry of Finance/Government Procurement Department regulate the necessity of training; the Procurement is recognized as a profession under the national Law.**

b. IA Capability Assessment⁵

i. Experience

Works	JEDCO is least experienced in works compared to goods, services and grants. Programmes implemented by JEDCO do not normally include works. For REGEP-UP, there is a possibility that JEDCO procures works (rainwater harvesting, hydroponic systems, irrigation networks, etc.) on behalf of beneficiaries; in which case, the grants would be in-kind rather than in-cash. However, given the very small nature of the grants and the large number of beneficiaries, it is likely that the procurement will remain by the beneficiaries. Risks of centralized procurement (by JEDCO or JRF) include absence of diversity and fitness-for-purpose (due to standard designs or specifications), increased prices (contractors need to price guarantees and usually have higher overheads), and delays (one or a few contractors executing the centralized contract).
Goods	JEDCO and the Gov. Purchasing Dept. have long standing cooperation in line with the Jordanian Procurement Law. JEDCO handles all goods' procurement up to JOD 60,000 while GPD handles for higher value goods. Procurement by GPD is managed on JONEPS.
Services	Recruiting consulting firms is not very recurrent in Jordan. The previous programme relied on a very few consulting firms whose recruitment was not smooth. However, the main services that are covered under the programme are for implementing partners recruited using QCBS. For example, the previous attempts to procure technical assistance and software systems for MFIs and banks failed. New procurement approaches are needed.
Grants	JEDCO did not execute grants under REGEP on its own; instead, it was entrusted to an I.P. under the supervision of JEDCO. JRF is very well experienced with grants.

⁵ If I.A. staff have not yet been nominated, the analysis can be based on Borrower organization and a PIU within the Borrower that will likely manage the procurement.

ii. Need for hands-on support

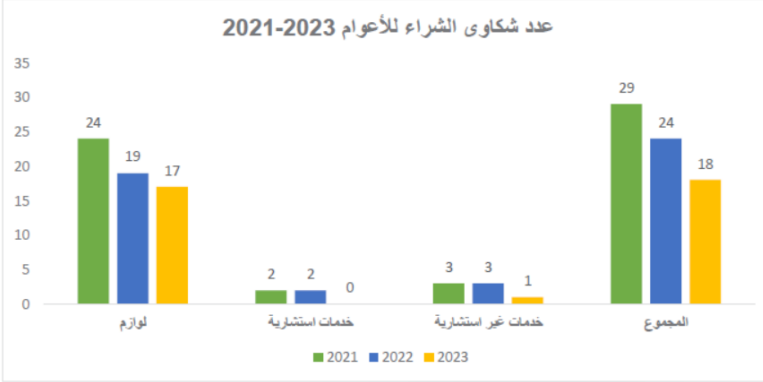
Works	N/A
Goods	JEDCO receives support, training, guidance (as needed) from GPD. JEDCO staff are well experienced with procurement of simple purchases.
Services	JEDCO might require IFAD support in TOR preparation for I.P.s
Grants	JEDCO might require IFAD support in developing the grant manual, grant packaging, and detailed CfP criteria. JEDCO might require support in developing a grant management governance and control mechanism.

iii. Contract management capability and capacity

Works	JEDCO has very limited experience in works. REGEP-UP also has limited works' procurement by I.A.s. Grantees may procure very simple works on their own. GTD has issued guidance on evaluating performance of engineering consultants and contractors. Works contracts and CM templates are more regulated compared to goods and services.
Goods	The goods planned to be procured are simple: vehicles, office equipment, IT, etc. GPD has issued guidance on evaluating performance of suppliers. This guidance as well as the guidance for contractors will be adopted by JEDCO.
Services	Although no major contractual issues were faced under previous REGEP service contracts, the planned I.P. contracts under REGEP-UP are expected to gain from previous lessons; this covers IP monitoring, payment, managing variations, etc.
Grants	JEDCO relies on I.P. for monitoring grant contracts; however, previous experiences highlight the need to enhance monitoring of grants. One option would be to segregate between grantee selection and award and grantee monitoring. This can be achieved by a new governance structure that can be tested for the initial batch of grants.

iv. Complaints management and dispute resolution systems

Presence of Systems in Law	The Law provisions a two-tiered dispute resolution system; tier 1 is the resolution of complaints by the awarding committee; tier 2 is the appeal at the Central Appeals committee. The e-procurement platform (JONEPS) permits bidders to submit Tier-1 complaints online through the system: https://www.joneps.gov.jo/cm/manual/userManual.do?subMenuId=CM10218001
Effectiveness of Systems	From REGEP experiences, complaints were effectively resolved at tier 1 with no instances of recourse to tier 2. There is no publicly available data on tier-2 complaints/appeals resolution. The GPD provides overall statistics in its annual report; In 2023, a total of 185 complaints were submitted to the Tier-1 evaluation committee at GPD and 18 were submitted to the Tier 2 central appeals committee:

	 Figure 7 - GPD - Annual Report 2023 - p.30	
Independence of Systems	The central complaints committee is independent from the procuring entity; it reports to the council of ministers. This makes the committee within the same executive power of government.	
Statistics (if available)	GPD website lists the conclusions of the central appeals committee for 9 cases.	

v. Key Conclusions of I.A. Analysis and IFAD-PRM Part B

Strengths	Weaknesses
- JEDCO and other I.A.s are experienced in similar programme scope under REGEF - JEDCO has an active internal control unit and has some flexibility in recruiting programme staff	- Controlling grants is weak due to diluted responsibilities and weak governance - JEDCO, under REGEF, has limited experience in works and consulting services procurement; grants management was predominantly outsourced - JEDCO has no previous working experience in preparing/updating procurement strategies - JEDCO has limited previous experience in monitoring SECAP compliance (esp. for grants involving works)
Opportunities	Threats
- Jordan has strong central procurement/tenders' departments that are - The Law and regulations are relatively modern with diverse procurement methods - The e-procurement system is well functioning and trustworthy	- The legal system permits negotiations in goods and services' procurement in a wide array of situations - The consulting services' market is not very development and competitive - Absence of modern national templates for consulting services procurement

- The supreme audit bureau is very supportive and interested in engaging in the new programme - The SUSTAIN2 and BUILDPROC offer good training opportunities for JEDCO and IA staff.	- Private sector auditors have demonstrated weaknesses (in quality, sampling, grant audits, etc.) - Grant schemes offer attractive opportunities for rent seekers that may be difficult to detect in absence of robust monitoring

Summary of Key PRM Issues (Part B)	
• The Jordanian procurement system is relatively modern (2022) with modern methods, decentralized below the threshold, utilizing e-GP above the thresholds, and a complex institutional setup. Although there are attempts to modernize SPDs, they are still not complete with major weaknesses in consulting services. • The REGEP-UP does not introduce new procurement or complexities; it is a follow-up and scaling up of REGEP. Since the programme is not complex and the activities are simple using simplified SBD and most of the activities are below the NS threshold; therefore, REGEP-UP does not require new procurement methodologies to be set in place. However, a new mechanism for grant management may be required to integrate lessons learnt from previous grant schemes under REGEP. • The programme procurement contracts are non-complicated with no interdependency among activities; the majority of programme budget is managed through grants or credit lines. • JEDCO is an experienced I.A. in overall management of IFAD programmes, but there is no complex procurements or grants directly executed by JEDCO in the past; major procurements were for simple goods and some consulting services, the most complex of which is the selection of I.P.s. Risks of delay persist as in previous programmes due to a lax attitude or uncertainty in the first year of the programme. • Challenges persist with respect to control and supervision of grants, procurement and competitiveness in consulting services, effectiveness of audit functions, adoption and updating of PS, and integration of SECAP requirements in grants. • JEDCO did not adopt IFAD templates for evaluation reports; committees usually rely on in-house ad-hoc prepared minutes of meeting representing the evaluation report. • If JEDCO decides to recruit a new PO for REGEP-UP, onboarding, training and coaching will cause delays to the programme.	

c. Market Analysis

i. Market sector dynamics

Works	There are currently 24 contractors that have been subject to sanctions/suspension. The GTD has classified 3546 contractors in various sectors and categories. Works in excess of JOD 500,000 are tendered using NCB through GTD. The programme does not expect to engage any large or even medium-scale contractors.

Goods

The GPD is the central procurement agency for goods and services (exceeding JOD 60,000). Its statistics for 2023 show the following data:

الجدول رقم (6): إحصائية مشاركة المنافسين والاعتراضات لمعاملات دائرة المشتريات الحكومية في عام 2023					
اسم المجموعة	عدد المشتريين لدعوة العطاء	عدد المناقصين المشاركين فعلياً	عدد الاستفسارات الواردة	عدد طلبات توضيح العروض	عدد الاعتراضات المقدمة
الأدوية والأمصال والمطاعم	514	372	0	290	57
المستهلكات الطبية	354	293	4	69	40
الأجهزة والمعدات الطبية	280	250	11	120	55
التجهيزات الإلكترونية	194	171	9	112	7
التجهيزات الميكانيكية	175	162	9	127	15
التجهيزات المكتبية والعقود	536	434	6	290	11
المجموع الكلي	2053	1682	39	1008	185

Figure 8 - GPD - Annual Report 2023 - p.30

82% of economic operators who procure the bid document end up submitting bids. Of those only, 2.3% ask clarifications before submitting their bid; 60% of bids are clarified by evaluation committees. About 11% of bidders submit complaints.

الجدول رقم (5): إحصائية طرق الشراء لمعاملات دائرة المشتريات الحكومية في عام 2023					
عدد العطاءات					اسم المجموعة
المجموع	عطاء على مرحلتين	مصدر واحد	مناقصة محدودة (استدراج)	مناقصة عامة	
82	0	8	42	32	الأدوية والأمصال والمطاعم
48	0	3	1	44	المستهلكات الطبية
38	0	4	0	34	الأجهزة والمعدات الطبية
69	2	13	6	48	التجهيزات الإلكترونية
56	0	1	8	47	التجهيزات الميكانيكية
168	3	2	6	156	التجهيزات المكتبية والعقود
461	5	31	63	361	العدد
100%	1%	7%	14%	78%	النسبة المئوية

Figure 9 - GPD - Annual Report 2023 - p.29

Since 461 bids were launched in 2023, the average number of bidders is 3.65.

The programme expects very basic types of goods to be procured.

Services

The numbers of consulting firms is relatively low as is evident from previous SIGHT and REGEF tenders. This is attributable to intrinsic (e.g. the TORs are vague and ambiguous) and extrinsic (e.g. the sector is not developed; the stronghold of NGOs in service provisioning in the development sectors) factors. Looking at classified consulting firms by GTD, the numbers are very low (56 numbers) compared for example to the number of classified contractors (3546):

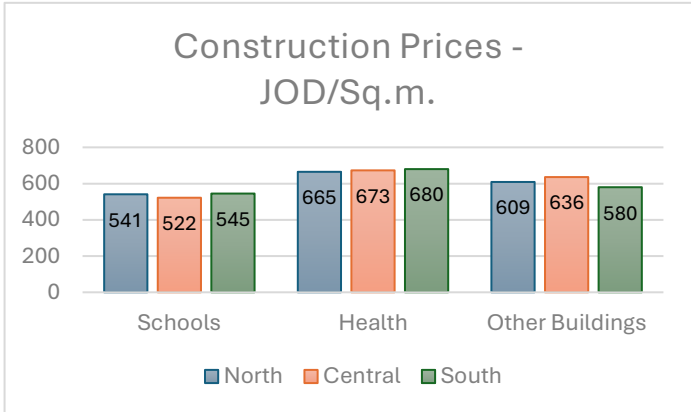
	العدد	المجال
	29	الأبنية
	9	الطرق
	14	المياه والصرف الصحي
	1	الكهروميكانيك
	9	الهندسة المتخصصة
	13	البيئة
	11	استطلاع الموقع
	12	فحص المواد

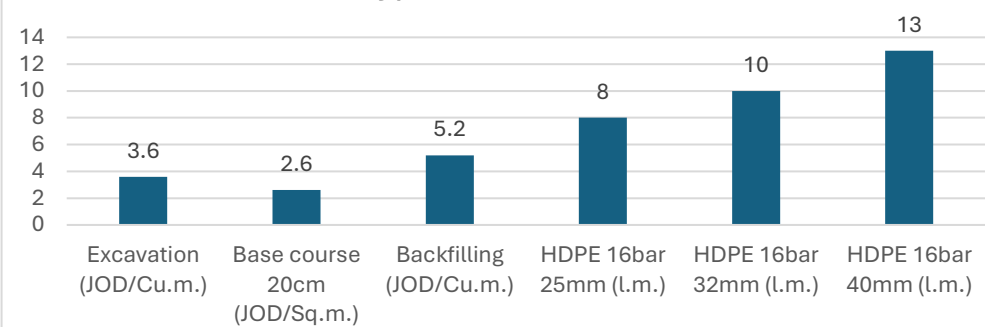
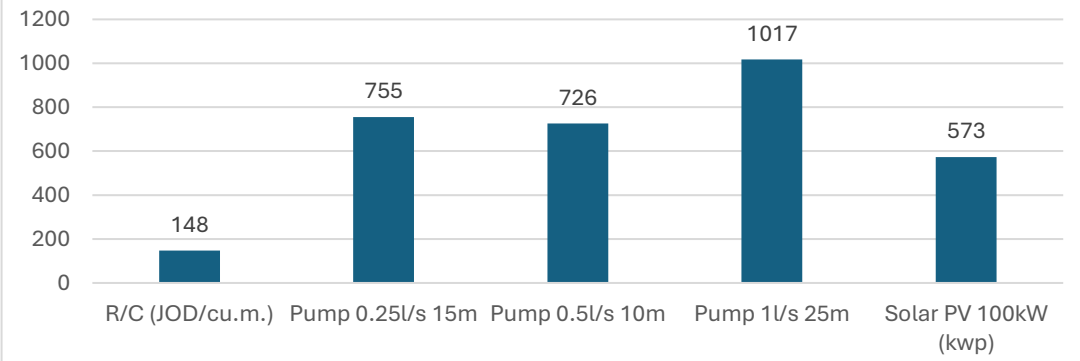
Figure 10 - Government Tender Department, Annual Report, 2024, p. 141

There are currently 5 consulting firms that have been subject to sanctions/suspension.

Grants	The grants’ customer base is very wide for W1 (farmers and small-holders) while for W2 targeting micro and SME’s the customer base is much narrower. The I.P. managing W2 grants will need to survey and analyse the sector and the market to identify potential beneficiaries.

ii. Financial

Works	Prices for construction works awarded (buildings) range as follows:  Figure 11 - construction unit pricing by zone (source GTD 2024 Annual Report) Grant beneficiaries engaged in construction works will need to receive support and guidance by the I.P. to ensure value for money and price realism.
Goods	Some unit prices reported by GTD (average across the three regions) in its 2024 annual report are as follows:

	Typical Unit Prices <table><thead><tr><th>Item</th><th>Unit Price (JOD)</th></tr></thead><tbody><tr><td>Excavation (JOD/Cu.m.)</td><td>3.6</td></tr><tr><td>Base course 20cm (JOD/Sq.m.)</td><td>2.6</td></tr><tr><td>Backfilling (JOD/Cu.m.)</td><td>5.2</td></tr><tr><td>HDPE 16bar 25mm (l.m.)</td><td>8</td></tr><tr><td>HDPE 16bar 32mm (l.m.)</td><td>10</td></tr><tr><td>HDPE 16bar 40mm (l.m.)</td><td>13</td></tr></tbody></table> <i>Figure 12 - Some unit rates reported by GTD - 2024</i> Typical Unit Prices <table><thead><tr><th>Item</th><th>Unit Price (JOD)</th></tr></thead><tbody><tr><td>R/C (JOD/cu.m.)</td><td>148</td></tr><tr><td>Pump 0.25l/s 15m</td><td>755</td></tr><tr><td>Pump 0.5l/s 10m</td><td>726</td></tr><tr><td>Pump 1l/s 25m</td><td>1017</td></tr><tr><td>Solar PV 100kW (kwp)</td><td>573</td></tr></tbody></table> <i>Figure 13 - Some unit rates reported by GPD - 2024 (continued)</i>	Item	Unit Price (JOD)	Excavation (JOD/Cu.m.)	3.6	Base course 20cm (JOD/Sq.m.)	2.6	Backfilling (JOD/Cu.m.)	5.2	HDPE 16bar 25mm (l.m.)	8	HDPE 16bar 32mm (l.m.)	10	HDPE 16bar 40mm (l.m.)	13	Item	Unit Price (JOD)	R/C (JOD/cu.m.)	148	Pump 0.25l/s 15m	755	Pump 0.5l/s 10m	726	Pump 1l/s 25m	1017	Solar PV 100kW (kwp)	573	
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Pump 1l/s 25m	1017																											
Solar PV 100kW (kwp)	573																											
Services	The services’ market is much more ambiguous and predictable compared to goods and works. For example, audits can range from 3,000 to 10,000 JOD or even more. Daily rates will vary for experts from 50 JOD per day to 400 JOD per day. Pricing consulting services remains a high risk area that requires thorough preparation and analysis by JEDCO. Budgetary figures are inserted in the costab based on available funds, previous experience, and some other benchmarks. However, when JEDCO designs a TOR, it should prepare a commensurate and detailed cost estimate to verify the budget and ensure it can assess financial proposals on clear and knowledgeable grounds.																											
Grants	Grants will be launched with a ceiling/cap per programme.																											

iii. Procurement trends⁶

⁶ How were similar procurements managed elsewhere or previously; key terms and conditions; how to maximize VfM; lessons learned from previous experiences in the country; etc.

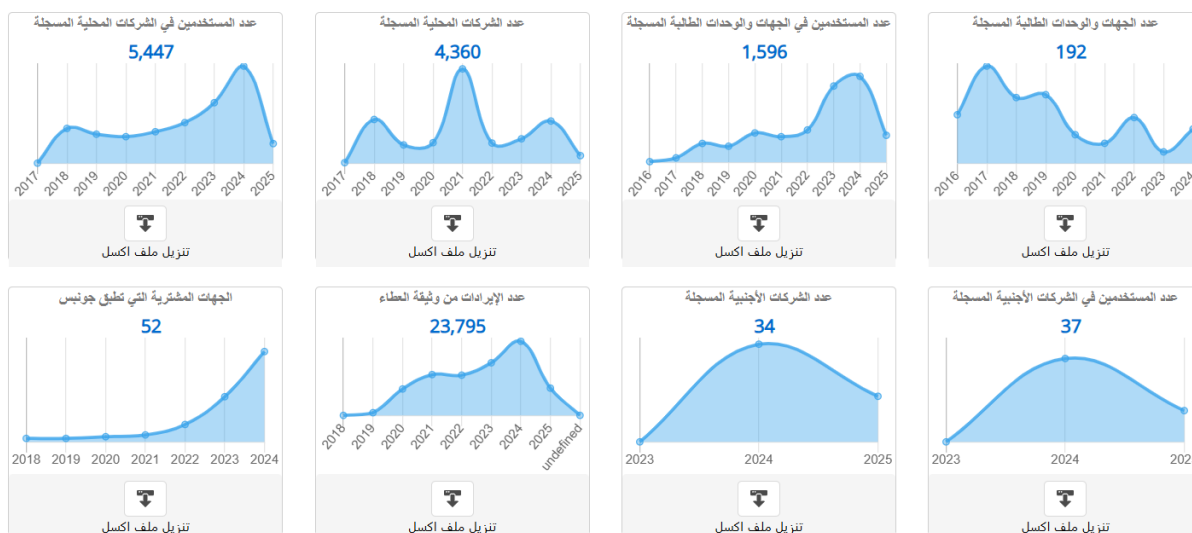
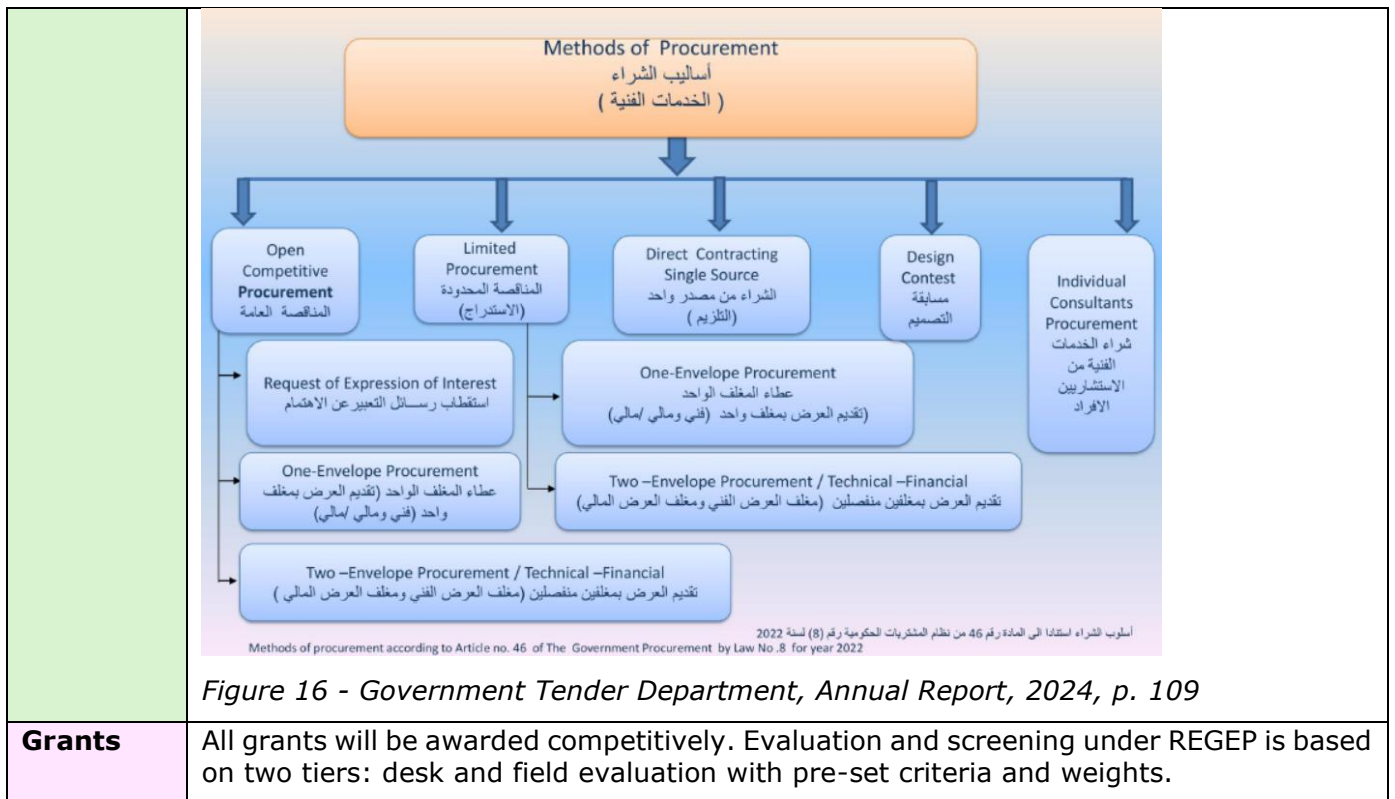


Figure 14 - JONEPS Statistics as of 30 April 2025

Works	Although works' procurement is not envisaged in the programme, below is the list of methods as per Jordanian law: Methods of procurement according to Article no. 21 of The Government Procurement by Law No.8 for year 2022 1 Figure 15 - Government Tender Department, Annual Report, 2024, p. 108
Goods	The procurement methods for goods is the same as for works (see above). For ICB, JEDCO and other PIUs will be using the IFAD procedure and template.
Services	Below is the list of methods for services as per Jordanian law; however, for the programme, consulting services will be procured using IFAD templates and rules.



iv. Key Conclusions of Market Analysis relevant to this contract

Supply Positioning: The below plot shows the major contracts identified above classified into one of four categories based on their estimates cost and their associated risks (in each block, you can see the contract numbers that fit into that block):

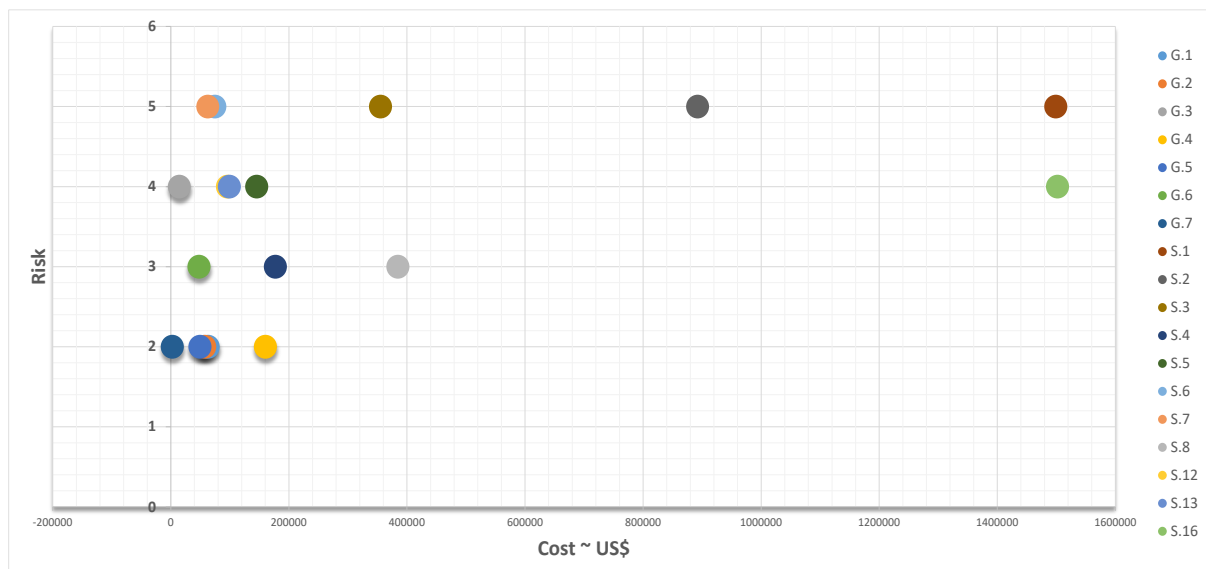


Figure 17 - Supply Positioning Plot (excluding Grant Schemes)

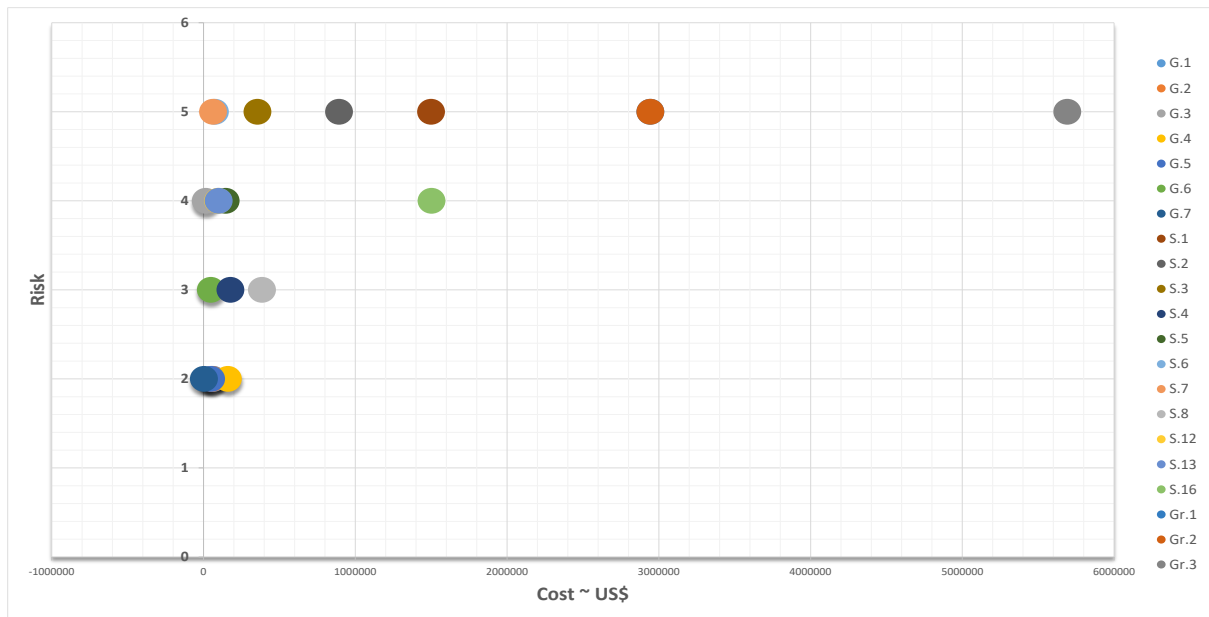


Figure 18 - Supply Positioning including 3 grant schemes

RISK è	Bottleneck S.2, S.3, S.6, S.7	Strategic Gr.1, Gr.2, Gr.3 S.1, S.16
	Non-Critical All other procurement Activities	Leverage
	COST è	

Figure 19 - Summary Supply Positioning Matrix

Supplier Preferencing: The below plot categorises potential bidders in key contracts based on how attractive those key contracts are to them and the expected revenue they are expecting to generate (in each block, you can see the key vendors that fit into that block):

ATTRACTIVENESS è	DEVELOP Consulting Firms Audit Firms IT Suppliers Equip.	CORE W1 Grantees W2 Grantees I.P.

Figure 20 - High-Matrix

	NUISANCE Academic Inst. Survey Firms	HARVEST
	Revenue è	

level Preferencing

4. Procurement Risk Analysis

Risk Description	A	B	Overall Risk Score (A*B)	Description of proposed mitigation through the procurement process	Risk Owner	Procurement Process Stage	Impact on which Contract(s)
	Likelihood Rating	Impact Rating					
PRE-CONTRACT PROCUREMENT RISKS							
1. Delays in concluding MoUs/MoAs and onboarding key partners	0.8	0.5	0.4	- Draft MoU/MoA templates should be prepared by JEDCO and discussed with respective partners in advance, learning from REGEP lessons. - In programme start-up workshop, JEDCO should present such MoUs/MoAs.	JEDCO	Planning	All, especially Grants and Credits
2. Delays in launching key technical assistance or I.P. contracts of year 1	0.9	0.6	0.54	- JEDCO shall develop a programme implementation governance chart and highlight activities to be outsourced to I.P.s and T.A.s - JEDCO should be ready to present such chart with respective Preliminary TORs at the Start-up workshop.	JEDCO	Planning	All, especially Grants
3. Delays in recruiting key programme staff	0.6	0.6	0.36	- Existing REGEP staff shall continue to exercise the respective functions for REGEP-UP until new recruits are onboard	JEDCO	All	All

Risk Description	A	B	Overall Risk Score (A*B)	Description of proposed mitigation through the procurement process	Risk Owner	Procurement Process Stage	Impact on which Contract(s)
	Likelihood Rating	Impact Rating					
4. Challenges in preparing TORs/RFPs for key activities (I.P.S, baseline, etc.)	0.8	0.7	0.56	- JEDCO shall solicit IFAD support for any critical TOR - IFAD will share standard TORs for audit, baseline, etc.	JEDCO	Preparation	Service contracts
5. PIU facing difficulty adopting/updating Proc. strategy	0.4	0.9	0.36	- Startup workshop shall include a dedicated day on PS contents and update - SM and ISM shall include coaching on PS update	JEDCO IFAD	Planning	All
6. Use of wrong evaluation report templates continues	0.9	0.2	0.18	- Since the PIM clearly specifies the templates to be used, IFAD will not issue N.O. for evaluations using wrong templates.	IFAD	Evaluation	All
7. Failure to attract consulting firms to compete	0.9	0.9	0.81	- As proposed in the Strategy and PIM, JEDCO shall engage early market engagement activities once the programme is nearing startup. The aim is to inform, motivate and listen to consulting firms, NGOs, Universities, research centers, etc. - The PS shall be updated with EME findings.	JEDCO	Planning	All Services

Risk Description	A	B	Overall Risk Score (A*B)	Description of proposed mitigation through the procurement process	Risk Owner	Procurement Process Stage	Impact on which Contract(s)
	Likelihood Rating	Impact Rating					
CONTRACTUAL PROCUREMENT RISKS							
8. Audit challenges with respect to grant contracts (unable to reach beneficiaries)	0.7	0.8	0.56	- JEDCO shall try to engage the supreme audit bureau for grant audits - auditors shall coordinate in advance with I.P. and shall flag all instances of inability to reach beneficiaries -JEDCO shall prepare a detailed report on all such beneficiaries based on on-site investigation. Report shall be shared with IFAD; all instances of mismanagement shall be cause for termination an recovery of funds.	JEDCO I.P. (grants)	Contract Management	All Grants
9. Managing complex implementing partner contracts is challenging	0.4	0.8	0.32	- JEDCO shall prepare a CM plan for all major contracts including those for I.P.s	JEDCO	Contract Management	All major service contracts
10.Poor control of grant contract execution and sustainability	0.9	0.9	0.81	- JEDCO shall adopt a grant scheme governance model (subject to IFAD N.O.) and in line with proposals in the PIM. This model shall ensure	JEDCO	Contract Management	All Grants

Risk Description	A	B	Overall Risk Score (A*B)	Description of proposed mitigation through the procurement process	Risk Owner	Procurement Process Stage	Impact on which Contract(s)
	Likelihood Rating	Impact Rating					
				effectiveness and absence of bias in grant monitoring.			
11. Legal liability due to disputes, damage, injury, etc. in implementing grants	0.1	0.9	0.09	- The I.P. in charge of grant management (up to signature) shall flag risks related to the legal liabilities and propose mitigation measures. - The I.P. in charge of grant contract execution shall adopt minimum quality standards and ensure that these are complied with by all beneficiaries. The I.P. shall supervise and monitor procurement by grant beneficiaries.	JEDCO I.P.s	Contract Management	All Grants
SECAP ISSUES							
12. Procurement documents do not account for SECAP requirements	0.3	0.8	0.24	- JEDCO shall adopt standard text in all procurement/grant documents - IFAD shall stress on this at start-up and in every mission.	JEDCO	Preparation	All
13. SECAP breaches in unsupervised grant execution	0.6	0.9	0.54	- The I.P. in charge of grant contract execution shall adopt minimum SECAP standards and ensure that these are complied	I.P. Grant Monitoring	Contract Management	All Grants

Risk Description	A	B	Overall Risk Score (A*B)	Description of proposed mitigation through the procurement process	Risk Owner	Procurement Process Stage	Impact on which Contract(s)
	Likelihood Rating	Impact Rating					
				with by all beneficiaries. The I.P. shall use the monitoring checklist provided in the PIM.			

PROBABILITY	1											
	0.9		6					2		7,10		
	0.8					1		4				
	0.7								8			
	0.6						3			13		
	0.5											
	0.4								9	5		
	0.3								12			
	0.2											
	0.1									11		
		0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1	
		IMPACT										

Figure 21 - Procurement Strategy Risk Plot

5. Procurement Objectives (related to the 5 Rs)

- i. Timely execution of annual plans on schedule and within budget with minimal but justified cost-overruns.
- ii. Timely award of grant contracts that are suitably planned to maximize participation, outreach, targets and programme goals.
- iii. Sustainable provision of goods and works that are of a fit-for-purpose quality and supported by enforceable and effective warranty.
- iv. Procurement and grant management contribute to the timely and effective attainment of programme targets and output/outcome indicators.
- v. PIU staff have requisite competencies to manage procurement and grants with no mis-procurement, mismanagement, or breach.

6. Recommended Procurement Approach for the Major Contracts in the Programme

Since no works and no major goods are provisioned under REGEP-UP, the below approach design is prepared for the major consulting services contract (S.1) and the first grant scheme (Gr.1):

Contract category)	S.1 Implementing Partner for Capacity Building and Grant Management – Window 1	
Estimated Cost	US\$ 1.4991 million	
Attribute	Selected arrangement	Justification Summary/Logic
Specifications	Hybrid	The TOR will elaborate minimum compliance standards and criteria to be met by the I.P. but will also allow room for creative/innovative methodology for capacity building, targeting, awareness, support, grant management, etc.
Sustainability Requirements (SECAP compliance)	Yes	Shortlisting criteria will have preferential points for having monitored SECAP or similar in previous contracts. The Evaluation criteria will include scoring methodology for evaluating SECAP compliance in grant applications.
Contract Type	A. Design and Build	The services will be designed primarily by the I.P. under monitoring and control by JEDCO.
Pricing and costing mechanism	A. Schedule of Rates / Admeasurement	Previous experiences with I.P. contracted on lumpsum basis contained some ambiguities with respect to pricing and accounting of activity costs. Furthermore, the TOR activities cannot be described in sufficient detail to allow lumpsum pricing.
Supplier Relationship	A. Collaborative	Collaborative relationships are expected based on previous experiences in REGEP and SIGHT.
Price Adjustments	A. None, fixed price	Although the duration is long, the price components are not volatile.
Form of Contract (Terms and Conditions)	B. State any special conditions of contract	- Commencement: upon contract signature - Implementation period: clearly stated in contract to cover the full duration for selection of grant beneficiaries under W1 - Currency: Any currency easily convertible in Jordan - Payment: 10% advance against bank guarantee; 80% of 2-monthly timesheets and expenses; 10% of contract price upon completion and approval of final report. - Performance targets: payments will not be effected unless the granting targets have been achieved for the respective reporting period.

		- Price Adjustment: not applicable. - Dispute Resolution: amicable followed by arbitration (local if local I.P., and international with foreign I.P.)
Selection Method	A. Request for Proposals (RFP)	RFP for Consulting Services (standard IFAD template)
Selection Arrangement		None
Market Approach	A. Type of Competition 1. Open 2. International B. Number of Envelopes/Stages 1. Two Envelopes 2. Single Stage B. Negotiations (No)	IFAD standard procedure and templates for QCBS will be followed as per PAL and PIM.
Pre / Post Qualification	A. Pre-Qualification	A shortlist of 3-6 entities will be formed after an open REOI.
Evaluation Selection Method	A. Quality Cost Based Selection (QCBS)	Based on PAL thresholds, this critical activity will be awarded on 70/30 basis QCBS.
Evaluation of Costs	A. Life-Cycle Costs	LCC is irrelevant in this case.
Domestic Preference	No	Preference for UNGC membership will be included (5 merit points).
Rated Criteria	List the type of criteria to be used (mandatory/desired)	- Extent of previous successful similar experiences: 10% - Methodology, Staffing and Approach: 30% - Approach to SECAP in capacity building and grant management: 5%

		- Time-plan and schedule: 10% - Programme Manager/Team Leader: 15% - Key Expert 2: 10% - Key Expert 3: 10% - Key Expert 4: 5% - UNGC membership: 5%

Contract category)	Gr.1 Grant Window for Small-Holder Farmers (Water efficiency for small scale production)	
Estimated Cost	Year 1.5 target is US\$ 276,850 out of US\$ 2,943,700	
Attribute	Selected arrangement	Justification Summary/Logic
Specifications	N/A	There will be no specifications; instead, the CfP will elaborate the mandatory eligibility criteria; eligible programmes; eligible interventions; ineligible expenses, etc.
Sustainability Requirements (SECAP compliance)	Yes	The CfP will elaborate the minimum SECAP standards and will assign a score for SECAP compliance in evaluation based on the impact of the proposed grant and the approach of the grantee to mitigate the negative impacts.
Contract Type	B. Other: Grant Agreement	
Pricing and costing mechanism	B. Lump Sum	The grant agreement will be on a lumpsum for the grant programme and payment swill be made in instalments. However, this lumpsum is a ceiling and may be revised based on actual expenditure.
Supplier Relationship	B. Collaborative	Previous grant schemes witnessed collaborative relations.
Price Adjustments	C. None, fixed price	Grant contracts are short in duration and do not normally witness price volatility; such risks are borne by grantee.
Form of Contract (Terms and Conditions)	D. State any special conditions of contract	- Payment shall be made in instalments (2-3): - o advances should not exceed 30% payable against tangible measures taken by the grantee. - o Second instalment (60%) is payable upon verification of successful execution and documentary evidence - o Third instalment (10%) payable three months after completion to verify sustainability. - Damages for breach should be clearly stated and enforced. They should not normally exceed 5% of grant amount

		- Duration shall be clearly specified with procedures for requesting and approving extensions. - Termination for default shall automatically trigger the application of damages as well as recovery of full amount.
Selection Method	Call for Proposals (CFP)	Special Call for Proposals; IFAD proposed template may be used.
Selection Arrangement		N/A
Market Approach	C. Type of Competition 3. Open 4. National D. Number of Envelopes/Stages 3. Single Envelope 4. Single Stage C. Negotiations (No)	The procedure for competitive grants shall be followed: - Publicity followed by/accompanied with large scale campaign and sensitization - Call for Proposals widely disseminated - Support to applicants (open, transparent, and fair) - Application submission by the deadline - Opening, screening and desk review/scoring - Field visit and scoring - Concluding evaluation report with draft grant agreement - NOITA - Management of complaints and debrief requests - Award and signature
Pre / Post Qualification	B. Post-Qualification	Eligibility criteria will be verified for awarded applicants after evaluation and before award.
Evaluation Selection Method		N/A
Evaluation of Costs	B.	N/A

Domestic Preference	No	N/A
Rated Criteria	List the type of criteria to be used (desired)	Criteria shall include relevance, impact, value-for-money, etc. as well as scores for region, type of programme, SECAP compliance, etc.

7. Procurement Plan for first 18 months

#	Activities included in the PS analysis ⁷	Est. cost \$	Activities Procured within First 18 months	Category	Proc. Method	Domestic Pref.	Pre/Post Qualif.	Envelope	Prior/post	H/S Risk	Contractual Arrangement
G.1	G.1 Procurement of 2 Vehicles (funded by IsDB)	63,100	-	Goods	Shopping	N/A	Post	1	Post	No	P.O.
G.2	G.2 Procurement of Office Furniture and Office Equipment in 2 lots (funded by IsDB)	57,400	-	Goods	Shopping	N/A	Post	1	Post	No	P.O.
G.3	G.3 Procurement of off-the-shelf IT systems (software) (funded by IsDB)	14,300	-	Goods	Shopping	N/A	Post	1	Post	No	P.O.
G.4	G.4 Office Rental (NCS) (funded by IsDB)	160,100	-	Goods/NCS	D.S.	N/A	Post	1	Prior	No	Contract
G.5	G.5 Fuel for 9 Vehicles	49,200	-	Goods	Shopping	N/A	Post	1	Prior	No	P.O.
G.6	G.6 O&M for 9 vehicles (funded by IsDB)	47,700	-	Goods/NCS	Shopping	N/A	Post	1	Prior	No	P.O.
G.7	G.7 Procurement of M&E Equipment and	2,400	-	Goods	Shopping	N/A	Post	1	Post	No	P.O.

⁷ Rows shaded in grey are not part of the first 18-months plan.

	Devices (GPS and tablets)										
S.1	S.1 Implementing Partner for Capacity Building and Grant Management – Window 1	1,499,100	1,499,100	C.S.	QCBS	UNGC Pref	REOI	2	Prior	H	Contract
S.2	S.2 Implementing Partner for Monitoring, Mentoring and Supporting Grantees and exchange visits – Window 1	892,300	892,300	C.S.	QCBS	UNGC Pref	REOI	2	Prior	H	Contract
S.3	S.3 Business mentoring advisory services and e-learning for microentrepreneurs	355,200	355,200	C.S.	QCBS	UNGC Pref	REOI	2	Prior	H	Contract
S.4	S.4 Technical Assistance and TOT for gender and nutrition	120,300	120,300	C.S.	QCBS	UNGC Pref	REOI	2	Prior	No	Contract
S.5	S.5 Support to the development/enhancement of digital marketing and digital connectivity platforms (SMEs and farmers)	145,400	145,400	C.S.	QCBS	UNGC Pref	REOI	2	Prior	H	Contract
S.6	S.6 Implementing Partner for Analysis and Targeting and Grant Management – Window 2	74,600	74,600	C.S.	CQS	N/A	REOI	2	Prior	H	Contract

S.7	S.7 Implementing Partner for Digital Monitoring and Supporting Grantees – Window 2	62,500	62,500	C.S.	CQS	N/A	REOI	2	Prior	H	Contract
S.8	S.8 Capacity Building for SMEs (production, harvesting, handling, grading, certification, standards, H&S, BDS, etc.)	384,700	384,700	C.S.	QCBS	UNGC Pref	REOI	2	Prior	No	Contract
S.9	S.9 Technical Assistance and training to PFIs	255,300	-	C.S.	QCBS	UNGC Pref	REOI	2	Prior	No	Contract
S.10	S.10 Farmer Financial Literacy Trainings	251,400	-	C.S.	QCBS	UNGC Pref	REOI	2	Prior	No	Contract
S.11	S.11 Baseline Survey	86,000	86,000	C.S.	CQS	N/A	REOI	2	Prior	No	Contract
S.12	S.12 Midterm Survey	95,700	-	C.S.	QCBS	UNGC Pref	REOI	2	Prior	H	Contract
S.13	S.13 End-line/Impact Survey	99,100	-	C.S.	QCBS	UNGC Pref	REOI	2	Prior	H	Contract
S.14	S.14 M&E MIS development/enhancement plus maintenance	38,100	-	C.S.	CQS	N/A	REOI	2	Post	No	Contract
S.15	S.15 Annual Audit	10,000	10,000	C.S.	QCBS	UNGC Pref	REOI	2	Prior	No	Contract
S.16	S.16 PIU Staff Recruitment (7 positions)	1,502,100	-	C.S.	ICS	N/A	REOI	2	Prior	H	Contract

S.17	S.17 Technical Assistance to the Higher Council for Food Security	21,100	-	C.S.	CQS	N/A	REOI	2	Post	No	Contract
S.18	S.18 Advisory services for inputs to NFSS review	55,600	-	C.S.	CQS	N/A	REOI	2	Post	No	Contract
S.19	S.19 Advisory services for inputs to new Agri strategy	35,600	-	C.S.	CQS	N/A	REOI	2	Post	No	Contract
Gr. 1	Gr.1 Grant Window 1 for Small-Holder Farmers (Water efficiency for small scale production)	2,943,700	276,850	Grants	CfP	N/A	Post	1	Prior	H	Contract
Gr. 2	Gr.2 Grant Window 1 for Small-Holder Farmers (processing)	2,943,700	276,850	Grants	CfP	N/A	Post	1	Prior	H	Contract
Gr. g	Gr.green Grants	301,900	26,350	Grants	CfP	N/A	Post	1	Prior	H	Contract
Gr. 3	Gr.3 Grant Window 2 for SMEs	5,691,300	902,650	Grants	Targeting	N/A	Post	1	Prior	H	Contract
		18,258,900	5,112,800								

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Annex 9: Project Implementation Manuals

Mission Dates: 26/04 to 16/05/2025

Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
Programme Management Department



Investing in rural people

Hashemite Kingdom of Jordan

**Rural Economic Growth & Employment Programme, Upscaling
(REGEP-UP)**

Annex 9: Programme implementation manual

Abbreviations and acronyms

ACC	Agricultural Credit Corporation
AFD	Agence Française de Développement
APR	Annual Progress Report
ATR	Ability to Recover from Shocks
AUO	Office of Audit and Oversight (IFAD)
AWPB	Annual Work Plan and Budget
BRAM	Benefit transfer and Replication of good practices for Agricultural Modernization
BpfA	Beijing Platform for Action
CBJ	Central Bank of Jordan
CBOs	Community-Based Organizations
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women
CfP	Call for Proposals
Cis	Core Indicators (IFAD)
CLARA	Cash Flow Linked Agricultural Risk Assessment
CLPE	Continuous Learning and Policy Engagement
CMT	Contract Monitoring Tool (part of OPEN)
COI	Core Outcome Indicator (IFAD)
CoM	Council of Ministers
CoP	Communication on Progress (UNGC)
COSOP	Country Strategic Opportunities Programme (IFAD)
CQS	Selection Based on Consultants' Qualifications
CR	Contract Register

CROWN Indicators	Core Reporting system on Weather and climate services for National Development
CSA	Climate-Smart Agriculture
CSN	Country Strategy Note (IFAD)
DA	Designated Account
DAA	Dar Abou Abdallah
DC	Direct Contracting
DEF	Development and Employment Fund
DSA	Daily Subsistence Allowance
ECG	Environment, Climate, Gender and Social Inclusion Division (IFAD)
EIA	Environmental Impact Assessment
E-S	Environmental and Social
ESAP	Environmental and Social Action Plan
ESCMP	Environmental and Social Management Plan
ESMF	Environmental, Social, and Climate Management Framework
ESMS	Environmental and Social Management System
ESS	Environmental and Social Safeguards Specialist
ETH	Ethics Office (IFAD)
EU	European Union
FA	Factor Analysis
FAO	Food and Agriculture Organization of the United Nations
FBS	Fixed Budget Selection
FIES	Food Insecurity Experience Scale
FIFO	First In First Out
FM	Financial Management
FMFCL	Financial Management and Financial Controls arrangements Letter
FSP	Financial Service Provider

GCF	Green Climate Fund
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GIS	Geo-localized Information System
GPN	General Procurement Notice
GRM	Grievance Redress Mechanism
HDDS	Household Dietary Diversity Score
HCFS	Higher Council for Food Security
IA	Implementing Agency
ICARDA	International Center for Agricultural Research in the Dry Areas
ICB	International Competitive Bidding
ICP	IFAD Client Portal
ICS	Individual Consultant Selection
ICT	Information and Communications Technology
IE	IFAD Empowerment (indicator)
IFAD	International Fund for Agricultural Development
IFPRI	International Food Policy Research Institute
IFRs	Interim Financial Reports
ILO	International Labour Organization
IMF	International Monetary Fund
INFE	International Network on Financial Education (G20/OECD)
INWRDAM	Inter-Islamic Network on Water Resources Development and Management
IoT	Intent to Award
IPM	Integrated Pest Management
Ips	Implementing Partners
IPSAS	International Public Sector Accounting Standards

IRR	Internal Rate of Return
IS	Investigation Section (IFAD AUO)
ISA	International Standards on Auditing
IsDB	Islamic Development Bank
IT	Information Technology
IWMI	International Water Management Institute
JEDCO	Jordan Enterprise Development Corporation
JLGC	Jordan Loan Guarantee Corporation
JOD	Jordanian Dinar
JOHOUD	Jordanian Hashemite Fund for Human Development
JONEPS	Jordanian Online E-Procurement System
JRF	Jordan River Foundation
KAP	Knowledge Attitudes and Practices
KM	Knowledge Management
KM&C	Knowledge Management and Communication
KPI	Key Performance Indicator
LCS	Least Cost Selection
L.E.	Local Entities
LNOB	Leaving No One Behind
M&E	Monitoring and Evaluation
MCA	Multiple Correspondence Analysis
MDB	Multilateral Development Bank
MFIs	Microfinance Institutions
MIS	Management Information System
MLT	Moisture Level Testing
MOA	Ministry of Agriculture

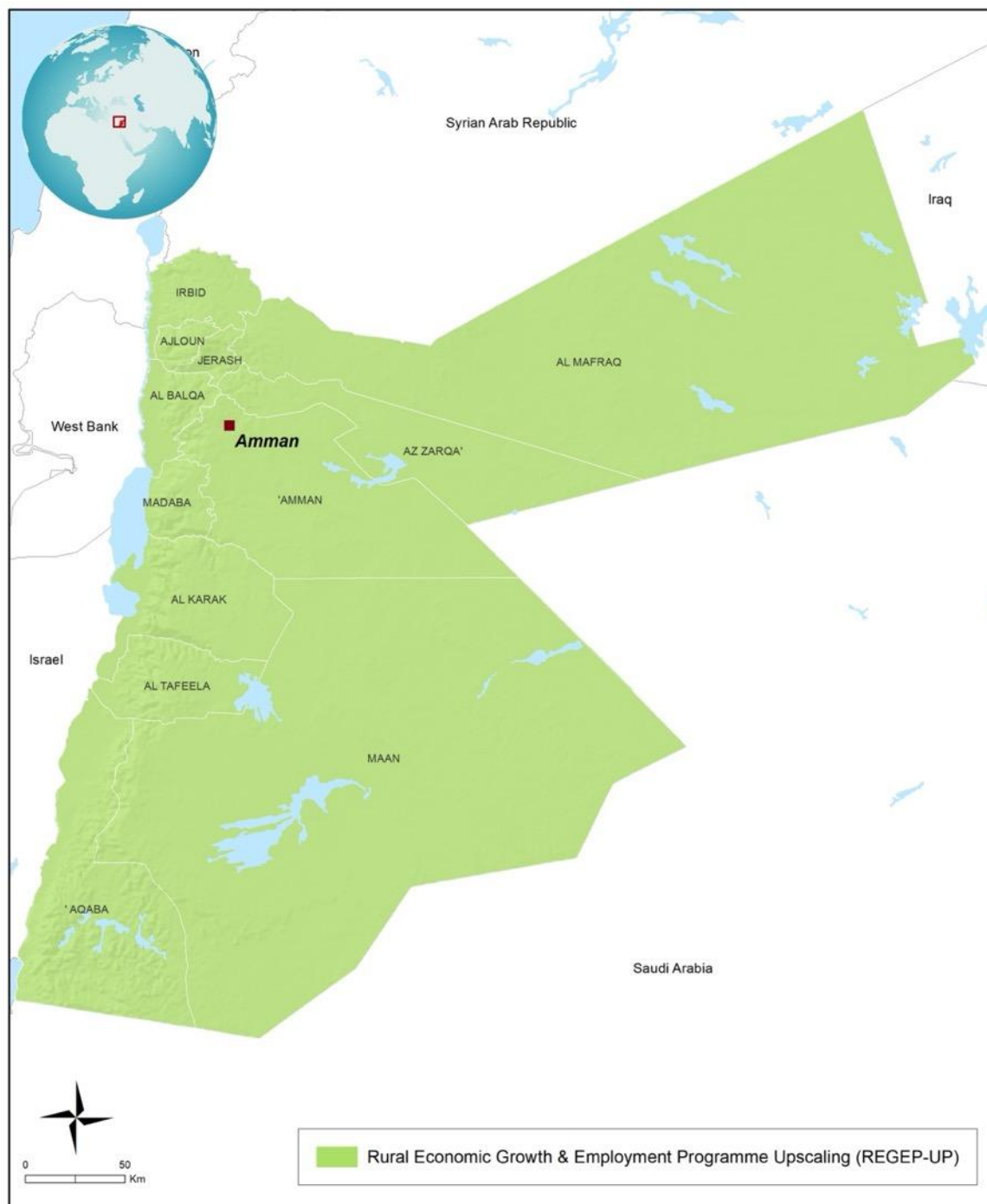
MoF	Ministry of Finance
MoPIC	Ministry of Planning and International Cooperation
MoU	Memorandum of Understanding
MSME	Micro, Small, and Medium-sized Enterprises
MTR	Mid-Term Review
NAF	National Aid Fund
NARC	National Agricultural Research Center
NCB	National Competitive Bidding
NCS	Non-Consulting Services
NDCs	Nationally Determined Contributions
NFIS	National Financial Inclusion Strategy
NFSS	National Food Security Strategy
NGOs	Non-Governmental Organizations
NO	No Objection
NOL	No-objection Letter
NOITA	Notification of Intention to Award
NPL	Non-Performing Loans
NPV	Net Present Value
OECD	Organisation for Economic Co-operation and Development
OHS	Occupational Health and Safety
OPEN	Online Project Procurement End-to-End System (IFAD)
OPHI	Oxford Poverty & Human Development Initiative
ORMS	Operational Results Management System (IFAD)
OS	Operating System
PAL	Procurement Arrangement Letter
PAR	Portfolio at Risk

PBAS	Performance-Based Allocation System (IFAD)
PCA	Principal Components Analysis
PCD	Programme Completion Date
PCMU	Programme Coordination and Management Unit
PCR	Programme Completion Report
PDT	Programme Design Team
PFI	Participating Financial Institution
PFM	Procurement and Financial Management Division (IFAD)
PIM	Programme Implementation Manual
PIPs	Programme Implementation Partners
PIU	Programme Implementation Unit
PO	Purchase Order
PP	Procurement Plan
PRM	Procurement Risk Mitigation
Pro-WEAI	Project-level Women's Empowerment in Agriculture Index
PSC	Programme Steering Committee
PSI	Programme Specific Indicators
PV	Payment Voucher
QCBS	Quality and Cost Based Selection
QBS	Quality Based Selection
RACI	Responsible, Accountable, Consulted, Informed (matrix)
RAM	Responsibility Assignment Matrix
RDPP	Regional Development and Protection Programme
REGEP	Rural Economic Growth and Employment Programme
REGEP-UP	Rural Economic Growth and Employment Programme - Upscaling
REOI	Request for Expression of Interest

RF	Rural Finance
RFP	Request for Proposals
RFQ	Request for Quotations
RSCN	Royal Society for the Conservation of Nature
RWH	Rainwater Harvesting
SBC	Social and Behavior Change
SDGs	Sustainable Development Goals
SECAP	Social, Environmental and Climate Assessment Procedures (IFAD)
SEP	Stakeholder Engagement Plan
SIGHT	Small-Ruminants Investment and Graduating Households in Transition project
SME	Small and Medium Enterprises
SOEs	Statements of Expenditure
SO1	Strategic Objective 1 (IFAD COSOP)
SP	Service Provider
SPD	Standard Procurement Documents
SPN	Specific Procurement Notice
SPO	Senior Procurement Officer (or Specialist Procurement Officer)
SPSS	Statistical Package for the Social Sciences
SSS	Single Source Selection
STATA	Software for Statistics and Data Science
TA	Technical Assistance
TEC	Tender Evaluation Committee
TFP	Total Factor Productivity
ToC	Theory of Change
ToR	Terms of Reference
ToT	Training of Trainers

UN	United Nations
UNCDF	United Nations Capital Development Fund
UNGC	United Nations Global Compact
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNOPS	United

Map of the Programme Area



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.

Map compiled by IFAD | 16-05-2025

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Currency equivalents

Currency	Converts to EUR	Converts to USD
1 JOD	1 JOD=1.2405 EUR	1 JOD=1.4104 USD
Inverse	1 EUR=0.8061 JOD	1 USD = 0.7090 JOD

As of 31 May, 2025

Weights and measures

1 dunam = 1000 square meters = 0.1 hectares

Definitions

AWPB: The **Annual Work Plan and Budget** is the outcome of the annual programme planning process. Through annual work planning, the programme management team defines: what activities will be carried out over the next 12 months; by whom; the resources to be applied; and the time needed to complete them. The AWPB is therefore a planning and management tool that specifies what is expected to be done during the year, how, and at what cost. In the AWPB, the annual planned RIMS first-level results should be specified. The key objective of a **results-based AWPB** is to ensure that all expenditures and resources allocated to support effective and efficient achievement of the programme expected development results.

Climate-smart agriculture (CSA): Agriculture that sustainably increases productivity, resilience (adaptation), reduces/ removes greenhouse gases (mitigation), and enhances achievement of national food security and development goals" (FAO).

Climate-smart value chain: An agricultural value chain that sources its primary produce from climate smart agriculture.

Impact: The changes that have occurred – as perceived at the time of a programme's evaluation in the lives of the rural poor (whether positive or negative, direct or indirect, intended or unintended) as a result of IFAD interventions. This definition also includes an assessment of the anticipated effects of IFAD-supported interventions, as appropriate.

Innovation: The development of improved and cost-effective ways to address problems/opportunities faced by the rural poor. These encompass institutional and technological approaches as well as pro-poor policies and partnership.

Logframe: The Logical Framework is a management tool used to improve the design of investment interventions, most often at the programme level. It involves identifying strategic elements (inputs, outputs, outcomes, impact) and their causal relationships, indicators, and the assumptions or risks that may influence success and failure. It thus facilitates planning, execution and evaluation of a development intervention. The Logframe is a summary presentation of the programme objectives at different levels. It sets out the indicators that will help determine whether the objectives have been met. RIMS indicators can be used in the Logframe as "verifiable indicators" for measuring progress towards expected results.

Mainstreaming: For the purposes of the IFAD Procedures (social, environmental and climate change), mainstreaming is "the process of systematically integrating IFAD's Environment and Social Values and Principles into all domains of the Fund's operations to promote both specific and general development outcomes of rural poverty reduction". It implies the integration of environmental and social approaches and tools in the programme cycle in order to better harmonise economic, environmental, climate and social concerns. **Social:** in this context, refers to people, their wellbeing, livelihoods and their institutions, including policies.

Specifically covers gender equality and women's empowerment, youth and indigenous peoples as well as other socio-economic determinants of poverty, vulnerabilities and capacities, in the framework of IFAD's policies on Gender Equality and Women's Empowerment (2012); Targeting (2023); Engagement with Indigenous Peoples (2023); and Youth Policy Brief (2013).

Monitoring: A continuing function/ process of systematic collecting/ analysing of data on specified indicators to provide management and the main stakeholders of an on-going development intervention (project, programme, policy) with indications of the extent of progress and achievement of objectives/ expected results, and progress towards the use and application of allocated funds.

Programme management: means the party designated as such in the financing agreement by the Borrower/ Recipient and responsible for implementing and managing the programme. It refers equally to the lead programme agency and programme coordination units and programme implementation units.

Results chain: The causal sequence for a development intervention that stipulates the necessary sequence to achieve desired results –beginning with inputs, moving through activities and outputs, and culminating in individual outcomes and those that influence outcomes for the community, goal/ impacts and feedback. At **Implementation** level, Inputs correspond to financial, human, and material resources; and Activities, to tasks and actions undertaken to transform inputs to outputs. At **Results level**, Outputs correspond to products and services produced; Outcomes, to intermediate effects on clients; and Impact, to long-term improvement in society.

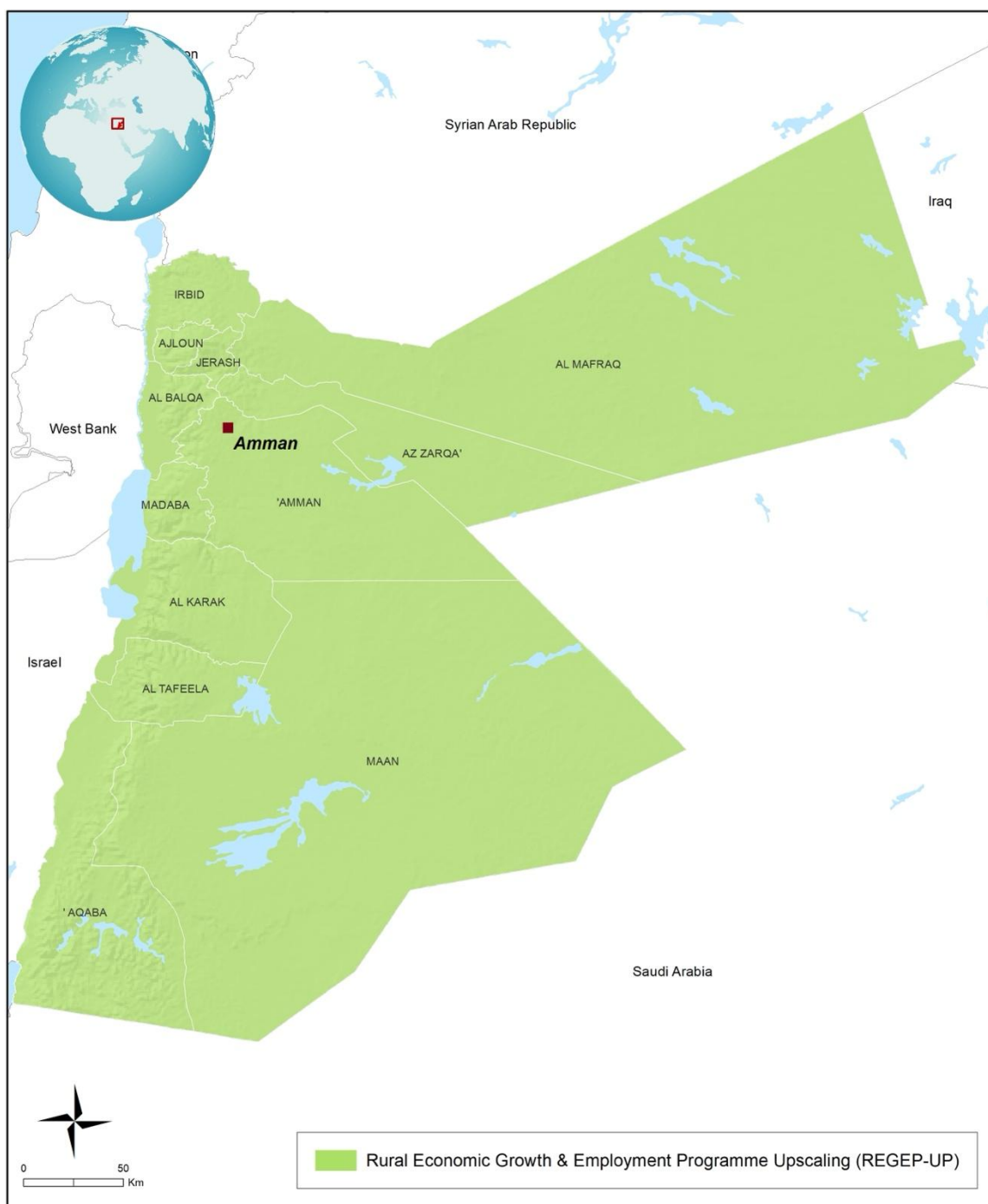
ORMS: The Operational Results and Impact Management System (ORMS) is IFAD's corporate framework for measuring, monitoring, and reporting the results and impact of the programmes it finances. It is designed to support results-based management across programme lifecycles by linking programme activities, outputs, outcomes, and impacts in a structured results chain.

Resilience: Amount of change a system can undergo without changing state. (IPCC, 2001)

Stakeholders: Are those who may be interested in, potentially affected by, or influence the implementation of a public-private partnership (PPP). In the context of development co-operation, stakeholders may include: **(a)** internal staff (environment and non-environment) in donor agency and other departments in the donor country; **(b)** the partner country government; **(c)** other donor agencies; **(d)** NGOs; and **(e)** civil society. (OECD, 2006). Primary parties, target groups and stakeholders are the users-beneficiaries of IFAD programme investment interventions.

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 programme's life.

Map of the Programme Area



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 Map compiled by IFAD | 16-05-2025

1 INTRODUCTION

1.1 Background

This draft Programme Implementation Manual (PIM) fulfils the Agreement established between the Government of the Hashemite Kingdom of Jordan and the management of IFAD, seeking to count with a reference document that will norm and facilitate the achievement of an effective, timely and efficient implementation of the REGEP-UP programme. Accordingly, the PIM includes, among other things: (a) programme operating processes and investment guidelines and procedures; (b) the implementation responsibilities and appointment modalities of all programme staff and consultants; (c) monitoring, evaluation and learning systems; (d) modalities for the selection of service providers and Programme Parties to be based on transparent and competitive processes; and (e) procurement and financial management arrangements including flow of funds, reporting arrangements, internal controls, as well as audits arrangements for the overall REGEP programme.

The final PIM will be completed by the REGEP-UP PMCU, and become the main and central reference tool for the implementation of the REGEP and seeks to respond to the specific requirements of IFAD. In practice, this Manual will be a basic guidance tool.

1.2 Programme overview

Jordan's rural communities are increasingly situated at the intersection of persistent poverty and the escalating climate crisis. The challenge of water scarcity, amplified by erratic weather patterns, significantly impacts agricultural potential and the socio-economic fabric of rural life. In response to these conditions, the government, with support from IFAD, is initiating a transformative programme designed to unlock latent productivity, bolster resilience, and delineate a sustainable pathway out of poverty for numerous smallholder farming families.

REGEP-up directly confronts these multifaceted challenges through the strategic promotion of climate-smart agriculture. This approach extends beyond mere adaptation to new realities; it aims to fundamentally reshape farming systems to be more productive, resilient, and characterized by lower emissions. Integral to this endeavour is the intelligent management of water resources, encompassing the promotion and enhancement of efficient irrigation techniques. Such measures will ensure that water utilization is optimized for food security and income generation within an increasingly water-stressed environment.

Concurrently, the initiative will champion robust value chain integration. By empowering smallholders to transition beyond subsistence farming, the programme will facilitate stronger linkages to markets, improve post-harvest handling, and foster opportunities for value addition at the local level. This strategy ensures that farmers are not solely producers of raw commodities but become active participants and beneficiaries in a more lucrative and sustainable agricultural economy.

Underpinning these efforts is a critical focus on financial inclusion. Access to tailored financial services – including savings and credit– is paramount for enabling farmers to invest in climate-smart technologies, upgrade their production capacities, and engage effectively in integrated value chains. Through the reduction of financial barriers, this programme will empower rural entrepreneurs to capitalize on new opportunities and construct more secure futures.

REGEP-UP, therefore, represents a holistic and concerted effort not only to reduce rural poverty but also to establish a foundation for enduring prosperity. The objective is to foster conditions wherein empowered communities can thrive despite prevailing environmental and economic uncertainties. It constitutes an investment in human capital, local potential, and the sustainable stewardship of essential natural resources.

1.2.1 Programme description

The Rural Economic Growth and Employment Programme - Upscaling (REGEP-UP) will build on the lessons and achievements of the previous phase, by adjusting and upscaling successful engagements, targeting specific value chains, and extending outreach spatially and numerically. REGEP-UP will help create productive employment and income generating opportunities for the poor and vulnerable, including youth, women and refugees; and increase the adaptive capacities of local farmers to escalating climate change impacts.

Upscaling will be further achieved by entering into robust partnership with both new and old organisations, all unified in their commitment to foster a climate resilient and inclusive rural development growth trajectory for the rural poor. New co-financiers/partners will include, but not be limited to, the Islamic Development Bank (IsDB) and UN Women, both attracted by the robust outcomes of the REGEP and sharing IFAD's ambitions on delivering impactful rural engagements using a common platform thus reducing both onboarding and wider transaction costs. REGEP-UP has also been designated to form part of the Royal Initiatives that built on Jordan's achievements and implements His Majesty's vision for improving citizens' living conditions.

1.2.2 Alignment with National strategies and IFAD strategies

REGEP-UP is aligned to UNSDCF (2023-2027) and contributes to SDGs 1, 2, 5, 10, and 11. It is also fully aligned with IFAD's country strategy note and its two core objectives of i.e. improving agricultural productivity and smallholders' resilience, and ii. strengthen value chain effectiveness by empowering smallholders and improving their access to markets. It is also aligned to the strong youth emphasis in the note and the need to leverage innovation for increased youth engagement.

REGEP UP is also aligned to the country Economic Modernization Vision (2022). This aims to create over 1 million jobs by 2033, with a focus on sectors like digital technology, healthcare and sustainable resources. This plan includes a dedicated strategy to double women's economic empowerment, enhance formal employment and support youth unemployment and women's entrepreneurship, alongside national efforts to address care and support for green jobs. All of these ambitions are core to REGEP-UP's objectives.

REGEP-UP is fully aligned with Jordan National climate change adaptation plan (2021), the National climate change policy 2022-2050, the National water strategy (2023-2040) and the Nationally Determined Contributions (NDCs) through improving water use efficiency and sustainable agriculture practices in the horticulture sector, supporting adaptive capacities of farmers and ecosystem to drought events and water scarcity. The programme aligns with the COSOP SO1: Improve agricultural productivity and smallholders' resilience to shocks through efficiency upgrades.

The programme's rural finance activities are closely aligned with Jordan's National Financial Inclusion Strategy (NFIS) 2023–2028, as they emphasize expanding access to finance for underserved groups and sectors. Specifically, the programme will focus both on microlending as well as on MSME lending – targeting the “missing middle,” where loan amounts between JOD 10,000 and JOD 100,000 often fall outside the reach of both microfinance institutions and traditional banks. In addition, the programme supports the NFIS's core priorities by promoting financial inclusion for women and youth and advancing financial literacy.

REGEP UP is aligned to the National Food Security Strategy 2021-2030. This strategic document recognises that the agricultural sector is a major pillar of food security, particularly in a water-scarce country, like Jordan and that the participation of the private sector is vital in the sustainable supply of food. The strategy highlights that food security is increasingly becoming a major national issue in light of urbanisation, the refugee crisis, international food price rises and fluctuations, and climate change impacts. The

formulation and implementation process of the Strategy constitute an opportunity to build the country's resilience in the face of unprecedented shocks and economic slowdowns.

Youth and Women empowerment strategy in the water sector (2025-2028): Jordan's strategy for empowering youth and women in the water sector aims to build leadership through education, innovation, and active participation in sustainable water management. It emphasizes skill development, involvement in community and policy-making processes, and integration with national strategies. Rooted in the 2023 National Dialogue on Water Harvesting, it aligns with Jordan's Economic Modernization Vision and National Water Strategy 2023–2040.

The National Strategy for Women in Jordan (2020-2025): The strategy promotes women's rights and empowerment. The strategic priorities have been set in alignment with the Jordanian Constitution, national plans and sectoral strategies such as the Jordan 2025 (A National Vision and Strategy), and on the footsteps of the Renaissance Plan: Government priorities for 2019-2020, the Comprehensive 8 Sectoral Policy for Promoting Gender Equality and Women's Empowerment 2020-2022. The logical framework for the strategy has been linked to national plans and strategies related to women, as well as international obligations and commitments, particularly the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Beijing Platform for Action (BPfA), the Sustainable Development Goals (SDGs) Agenda 2030.

The National Youth Strategy (2019-2025). The strategy recognizes the vital role that the youth play in building a prosperous country and address the multiple cultural, social, political and economic obstacles faced by the youth in the country, with a special focus on the high rates of unemployment and underemployment. Close attention is paid to human rights and the civil and political rights of young people, women, persons with disabilities and of all social strata.

The National Digital Transformation Strategy & Implementation Plan (2021–2025) developed by the Ministry of Digital Economy and Entrepreneurship (MoDEE), promotes data-driven governance by using data systems to enhance transparency and policymaking. It also emphasizes youth empowerment through digital skills training and job creation to drive innovation and entrepreneurship.

2 PROGRAMME TARGET GROUPS AND TARGETING STRATEGY

2.1 The poverty context

The national poverty rate for Jordan was estimated at 15.7 percent in 2017–2018 with many more households near the poverty line and indications of increased poverty since 2019 (World Bank 2022). In June 2022 the Department of Statistics announced that [24.1% of Jordanians live in poverty](#) (DOS 2022). This means 2.72 million out of the 11.3 million are classified as poor. Using the \$7.90 poverty line, the World Bank estimates that 35% of the population live in poverty in the country. Rising poverty levels in recent years is associated to low employment, minimal income growth and rising living costs, which were further aggravated by the COVID19 pandemic.

Rural areas, where less than 8% of the population live, face more entrenched challenges, given that agriculture is a critical source of livelihoods for many rural inhabitants. In general terms, the sector only employs 2.5% of the population (2.2% male/emen and 0.3% female/women). However, it is a major source of rural employment and income for smallholders and vulnerable groups including the refugee population (World Bank 2022). Approximately 48 percent of employed Syrians work in the agricultural sector (World Bank 2022). Smallholder farmers mostly practice extensive rainfed agriculture. They produce vegetables, olives and fruits. Livestock owners are extensive and semi-intensive sheep raisers. Smallholder farmers

with a larger landholding size (typically 3 hectares), are more likely to engage in irrigated intensive or semi-intensive production.

The smallholder sector in Jordan is highly heterogeneous, with uneven levels of poverty and vulnerability. More than 200,000 rural people are estimated to live in poverty. Only a small proportion of smallholders (less than 20% according to DOS 2017) derives their main income from agriculture. For the majority of them, agricultural production is mostly used for self-consumption as well as to complement the income from formal employment, pensions or seasonal labour. Agricultural wage workers, are overrepresented among the poorest segments of rural societies. A survey carried out by ACTAD (2023) reveals that more than 80% of these people earn a monthly income, which is well below 100 JOD (NAF income poverty line) per household members, meaning that they endure precarious living conditions.

Modern commercial farms are owned by large investors and operated by farm managers, engaging large numbers of sharecroppers and lease farmers. Smaller, less capital-intensive farms are typically run by families. Around 75% of landholding size is below 10 du, which is the equivalent of 1 ha (DOS 2017). However, the vast majority of small landholders (approximately 80%) farm less than 0,5 hectares (DOS 2017). This group account for 8% of the total cultivated area in Jordan. Conversely, large famers owning more than 100 dunams,5 account for about 3% of the total landholders but control 65% of farming land in the country (DOS 2017).

Lessons on targeting show that while REGEF has been relatively successful in implementing its targeting strategy, greater efforts should be made to deepen the programme's poverty outreach and improve youth targeting. A key lesson emerging from programme's implementation is that robust, pro-poor and youth-focused eligibility criteria are needed to ensure that the poor and the youth population can be reached. Linked to this is the evidence that land size alone is not a sufficient criteria for identifying the rural poor in Jordan. Past IFAD programmes have used area of land owned by a household as one of the key poverty targeting criteria. However, size of land holdings bears only a limited, relationship to the socio-economic situation of the owners, particularly at relatively smaller sizes of land. This is due to fragmentation of inherited land, absentee landowners, and reliance on non-farm income by most rural households.

2.2 Geographical targeting and programme intervention areas

Geographic targeting. The programme will target all 12 governorates covering the irrigated, rainfed and the agropastoral zones where the selected crops value chains are cultivated and where poverty clusters have been identified. Geographic targeting will be based on a detailed scoring system, that will combine different indicators and granular district-level data. These include the; MPI index, youth unemployment's rate; presence of refugees; agroecological context (e.g. rainfed, irrigated and agropastoral areas); productive potential_and nutrition-sensitivity for the selected value-chains that will be assessed based on a preliminary value-chain study.

A recent poverty analysis (2025) based on MPI data, shows that the districts with the high incidence of MPI poverty (MPI above 0.2) are concentrated in the Southern governorates of the country. These include: Ma'an, (Al-ruwaished, Ma'an and Al Jafer districts); Karak (Ail and al Qatranah) Aqaba (Al Qwara District) and Tafila (Al Hasa district). However poverty pockets are also found in the Amman governorate (Al Jeeza district) and in the Northern governorate of Ajloun (Al-Hashimiya district).

The table below provides the criteria and directions to develop a detailed scoring system to select the target district. The tool will be further developed at start-up and piloted at early stages of implementation.

Indicator	Criteria	Scoring system
Poverty	MPI data disaggregated at the district level to identify poverty pockets.	Districts with the highest value for Severity of Poverty (MPI index) will get a higher score as compared to districts with lower MPI value. <i>Example:</i> <i>Value above 6: score 3</i> <i>Value from 3 to 6: score 2</i> <i>Value from 1 to 3: score 1</i> <i>Value below 1: score 0</i>
Agroecological zone	Main agroecological zones of rainfed and irrigated lands.	Rainfed areas should get a higher score as compared to irrigated lands.
Refugees	DOS population census provides data on refugee population by district. Consultation with Ministry of Social Development and UNHCR	Areas with a higher concentration of refugees living in hosting community get an higher score as compared to areas with minimal or no presence of refugees.
Unemployment and Youth unemployment rate	DOS labour survey provides data on unemployment and youth unemployment by district. Consultation with Ministry of Labour	Unemployment rate above the national average will get a higher score as compared to areas with unemployment rate well below the national average.
Productive potential	Potential for the development of the selected value-chains based on the value-chain assessment (criteria, including number of target crops, presence of value-chain operators to be finetuned as part of the value-chain study)	<i>Higher score is given to high potential areas.</i> <i>Example:</i> <i>High potential: 3</i> <i>Medium 2</i> <i>low potential: 1</i>

2.3 Target groups

With a rural population of approximately 900.000 people (8% of the total population) the project will target 14142 rural household. These comprise different echelons of the rural society:

Poor rural households (35%). This includes landless and semi-landless families (farming less than 0.5 dunams) who live in poverty and are exposed to food insecurity and poor nutrition. They lack a stable source of income and depend primarily on seasonal wage labour, home-based micro business and social transfers. Refugees, NAF beneficiaries, women household heads, and persons with disability are the main groups falling under this category. They will benefit mostly from sub-component 1.2. as well as from wage employment generation in primary production and processing.

Vulnerable smallholder farmers (55%). These are farmers with tiny landholding, typically not exceeding 1 hectare. Only a few own their land. The majority access land through leasing or tenancy arrangements. For many, formal job or the pension of the household heads are the primary source of family's income. Limited income sources and low paid jobs means that they often live slightly above the income poverty line in the country¹³. Women from these families are often unemployed and depend on the income of the male breadwinner. Agriculture (both open field and intensive) is used for self-consumption and to complement the low family income. They often purchase water from different service-providers. However, shortage of water and unpredictable rainfall patterns undermine their agricultural livelihoods. Many families from this group will be targeted under sub-component 1.1. However, some of them will also benefit from access to microfinance (Component 2) and more structured value-chains (sub-component 1.2.).

Commercially oriented smallholder farmers (10%). These are relatively better-off families, with larger landholdings typically between 1 and 3 hectares. Only a few of them are full time farmers, and the majority rely on stable income sources from formal employment. Though they usually practice intensive, and commercially oriented agriculture, using modern irrigation technologies, but use poor production techniques, have limited access to finance for inputs and improving infrastructure and have limited participation in lucrative markets, often selling to middlemen or local markets. Yet, they have the greatest potential to respond to improved operating and market conditions. Full time farmers as well as young farmers who are willing to invest in agriculture, will be prioritized under this group. They will mostly benefit from technical support and access to matching grants under sub-component 1.2. for more structured value-chain development as well as rural finance under component 2.

50 SMEs are also included in this group. They be targeted under sub-component 1.2. to develop aggregation, grading and processing infrastructures for the development of inclusive and resilient value-chains.

Target group 1 and 2 are the priority beneficiaries under REGEUP-UP. Women and youth (18-30) from the three target sub-groups will also be prioritised, to ensure that they account respectively for 40% and 30% of the total beneficiaries. The refugee population (150%) will be targeted alongside Jordanian beneficiaries in hosting communities.

Other actors. Medium and larger-scale producers and processors will partner with the project to develop supply chain arrangements and inclusive business models benefitting the smallholder sectors and generating employment in rural areas. They will access larger size commercial loans under Component 2 and will receive training and guidance on inclusive value-chain development, labour standards and occupational health and safety and food quality and safety standards, also in accordance to SECAP procedures and requirements-. They will be requested to provide estimates of the number of jobs and linkages with the smallholder sectors in their business proposal.

With regard to gender targeting, the projects will target different categories of women:

- **The poor and most vulnerable women and girls (Target group 1),** including women household-heads, women refugees and women who are beneficiaries (or on the waiting list) of NAF cash support . This group will mostly benefit from training in food processing, micro-business development and mentorship and nutrition education. Some of these women will also benefit from decent employment generation through SME and value-chain development especially in processing plants.

- **Vulnerable unemployed women and girls (Target group 2)**, from household with a source of stable income (mostly from pensions or formal employment of the male household heads), who typically lacks access to an autonomous income stream. They play a critical role in family farming and some of them might have a higher level of education along with basic entrepreneurial skills. They will mostly benefit through micro business development in both food processing and climate resilient agriculture as well as from improved access to microfinance under Component 2.

Concerning youth targeting, the following sub-groups were identified:

- **Poor and vulnerable (unemployed or in low paid jobs) male and female youth** in the age range 18-30 (Target group 1 and 2) who will benefit from sub-component 1.1. and employment generation in climate resilient production and value-chains. This echelon of the rural population will be a priority target for the project. They are socially vulnerable and might struggle to find viable employment and livelihood development opportunities in agriculture and rural areas. It is expected that the support to micro business development in climate-resilient production and processing (also defined as green enterprises) including the training on digital marketing has a great potential to attract both female and male youth from the vulnerable social group. The green jobs sub-activities is also likely to attract and benefit poorer young people, who are already involved in agriculture as both family labourers and wage labourers.
- **Commercially oriented youth farmers (Target group 3)** (18-30) who have the assets and capacity to invest in commercial agriculture. They will benefit from sub-component 1.2. as well as from improved access to rural finance (Component 2). These young farmers are typically involved in commercial agriculture often on inherited or purchased land. However, they need, tailored and additional support to improve agricultural output and access better structured and nutrition-sensitive value-chains. Given that they are typically better educated than older farmers, they have a high potential to act as leaders and role models in climate-resilient value-chain development activities.

2.4 Targeting strategy

The project's targeting strategy combines different levels and approaches.

Eligibility criteria. The main targeting instruments will be the implementation of eligibility criteria for both geographic (2.2.) and people's targeting (2.4.2.)

Pro-poor crops. Selected products are feasible to produce in locations with large numbers and high density of rural poor, using the resources available to them— namely small areas of land, limited capital, and large quantities of labour. They also provide a significant return on investment and create positive cash flow. The main zones for production of fruits and vegetables are the north and north-west of the country, including the Jordan Valley and Northern Highlands where the majority of Jordan's population live.

The selected crops are also suitable for women, youth and men. They are more labour than capital intensive in production and processing and have potential to create both (green) business and wage employment opportunities for the target group, especially for women and youth. Moreover, they can contribute to efficiency of natural resource use as they can provide high returns per unit of water and land required in their production. Lastly, all selected crops have a high nutrition value and present opportunities for nutrition-sensitive value-chain development.

Pro-poor services. Activities and services implemented under sub-component 1.1. are focused and tailored to the poor and vulnerable population. In particular the grant scheme to support microenterprise development in climate-resilient agriculture and food processing is designed based on pro-poor procedures and requirements, as the matching contribution is only 5% of the total investment. The project will also provide training and support to the beneficiaries in formulating their investment proposal.

Gender and youth targeting. Women and youth are priority groups for the project and detailed quotas have been set across all activities and components, as detailed in the Gender and Youth Action Plan.

Refugee targeting. The project will not operate in refugee camps but focus on targeting refugees alongside Jordanians in host communities. They will account for 15% of the total beneficiaries. The criteria for district targeting include data on number of refugees as a criterion for selection. Engagement with UNHCR, Ministry of Social Development and other relevant institutions will also help identify target areas and channels to reach these groups, with priority given to the un and under-employment refugee population. Refugees are also likely to be included in value-chain development activities as workers and labourers.

Pro-poor employment generation. The project will mainstream the following measures to enhance outreach to the intended target group and to ensure that the activities implemented in partnership with commercially oriented farmers and SMEs have a direct impact on the poor and vulnerable rural population through employment generation:

- Employment generation benefitting the poor women and men will be closely monitored and commercial actors and SMEs will be trained on labour and OSH standards to ensure the creation of safe working environments and decent jobs.
- Engagement with Ministry of Labour, NAF and Ministry of Social Development will ensure access to poverty and employment data for geographic targeting as well as compliance with existing labour standards.
- Commercial partners will be requested to demonstrate and provide information on the number of jobs (and decent jobs) they expect to create and potential linkages to the smallholder sectors. This information will be included in both their business proposal and loan application.

2.4.1 Targeting process

The targeting process will be structured around the following steps:

STEP 1	Pre-identification
	During the initial phase and following the identification of target district the contracted service providers will inform local stakeholders about the project's interventions and eligibility criteria. Critical stakeholders to consult will include, NAF officers, CBOs, Municipalities and Women's and Youth Associations. This will contribute to pre-identify beneficiaries.
STEP 2	Information campaign
	An information and communication campaign is carried out, following the pre-identification of beneficiaries and manifestation of interests from the different stakeholders consulted. The info campaign aims at informing a large number of people about the upcoming opportunities, the conditions for participation and the procedures for application process.
STEP 3	Application process
	At this stage, the project will open the application process, by using both simple online and offline forms. The application form will also include a questionnaire to assess the socio-economic profile of the applicant.
STEP 4	Selection
	Following the project's eligibility and prioritization criteria the service providers will select the project's beneficiaries.
STEP 5	Group formation
	Selected beneficiaries are then mobilised and organised in different groups.

The social mobilisation strategy of the project should be better finetuned at early implementation, a crucial component of this strategy, will be the involvement of Women's Associations and youth constituencies as key partners.

2.4.2 Eligibility criteria for direct targeting

The different target groups will be identified and targeted through the implementation of eligibility criteria.

Simple selection criteria and categorical targeting, will be used to rapidly identify the poor and vulnerable population and prioritize certain groups over others. In consultation with NAF the national Unified Registry and its datasets will be used to validate the list of beneficiaries and their socio-economic profile especially under sub-component 1.1.

Target group classification	Priority target groups identified through simple eligibility criteria and categorical targeting	Component and activities
Poor rural households (35%)	• NAF beneficiaries (or on NAF waiting list) • Women headed households • Un or under-employment Refugees • Agricultural wage workers	• Priority target-group under sub-component 1.1. (at least 50%) • Main beneficiaries of employment generation in value-chain development activities supported under sub-component 1.2.
Low-income and vulnerable population (45%)	• Tenant farmers & sharecroppers • Low-income family who depends on one source of stable income in low paid jobs (or pensions – usually above the minimum wage 290 JOD but typically not exceeding 500JOD). • They typically own or rent less than 1 hectare of land and sell in the local market	Targeted under: • All activities implemented under component 1 • Main beneficiaries of microfinance schemes under component 2
Commercially oriented farmers (20%)	• Farmers with landholding size not exceeding 3 hectares and who depends on farming as the main source of family income.	• Targeted under value-chain development activities under sub-component 1.2. • Rural finance under component 2.

Beneficiary profiling. More detailed information on the socio-economic profile of target beneficiaries, will be gathered and systematised during the application process (online and offline) under sub-component 1.2.. Service-providers will be requested to screen and profile each beneficiary by combining different data and poverty proxies, also including:

- General socio-demographic information (e.g. marital status, gender, disability, Jordanian/refugees, etc.)
- Job of the household head (with income details) and other income sources in the household (including registration on NAF list)
- Number (and age) of family members/ dependency ratio.
- Landholding size and tenure regime.

- Level of education.
- Membership in associations

This will allow the project to develop a more robust poverty and vulnerability profiling of the poor, the vulnerable and commercially oriented populations and reduce targeting errors. Information will be systematised in the project's digital dataset. The target group matrix in the PDR summarises key socio-economic characteristics of the 3 target groups. This activity will be included in the ToRs of contracted service providers.

Beneficiary selection for all activities implemented under sub-component 1.1., will be based on the data collected through the application process. Higher scores will be given to the project's priority target groups, as identified through simple eligibility criteria and categorical targeting. It is important to ensure that the contracted service-provider will be

Beneficiary selection under sub-component 1.2. will be carried out by the contracted service provider. This will identify commercially oriented smallholder farmers (with a land size below 3 hectares) with capacity to participate in the selected value-chains. The service-provider will be trained on the project's targeting criteria, including sensitising them on the need to prioritise "full-time farmers" (meaning farmers that relies on agriculture as main income source for the family).

Selection of the 50 SMEs will be informed by the outcome of the value-chain study, and a comprehensive assessment of their capacity to develop inclusive and labour-generating business models, with potential to include target smallholders in supply chain arrangements and generate sustainable and decent job opportunities benefitting women, the youth and the rural poor. Pre-selected SMEs will have to develop a business plan proposals including attention to the following components:

- Estimated number of smallholder suppliers benefitting from the scheme;
- Expected number of (gender-disaggregated) jobs generated through the expansion of sorting, processing and packaging facilities, including information on compliance with OSH and labour standards;
- Commitment to sponsor at least 3 internship/apprenticeship programmes for youth (including one girl) with a degree in agriculture;
- Commitment to attend mandatory (gender-focused) training on labour and OSH standards and report on implementation of recommended labour and OSH measures.

Poverty targeting in the ToRs of service-providers: The service providers for sub-component 1.1. will have to comply with the following criteria:

- Consolidated experience in adopting poverty-focused targeting criteria and systems in their interventions.
- Capacity to collect and analyze disaggregated data on gender, age, poverty and vulnerability for accurate targeting, monitoring and reporting on targeting, gender and SI performance and conduct impact assessment.
- Capacity to deliver pro-poor services and interventions.

Specific criteria for youth and gender are specified in the chapter below.

2.5 Gender, Youth and Nutrition

A. Gender

Jordan ranked 123rd out of 146 countries in the Global Gender Gap Report for 2024 (World Economic Forum 2024). While the country has achieved remarkable results in closing the gender gap in education and health, huge gender disparities persist in political participation and employment. Recent data from DOS (2024) reveals that female unemployment stands at 33%, approximately 15 points higher than male unemployment (18%). The wage and asset gap between women and men is profound and especially evident in rural areas where women agricultural labourers can earn up to 50% less than their male counterparts. A critical gender gap also exists in access to financial services. According to the Jordan Strategy for Financial Inclusion (2023-2028) only (31%) of women have bank accounts in the country versus 53.1% of men did, thus resulting in a substantial gender gap of 22.%.

Despite the fact that women in Jordan are highly educated and that raising food prices, along with economic hardship, makes it increasingly difficult for family to rely on the income of the male breadwinner, the prevailing social norms still places the financial responsibility for the family on men, and see women as dependents. This means that men are prioritised in access to employment opportunities and that they control the majority of wealth and resources. These inequalities are often driven by stereotypical beliefs within Jordanian society, especially related to gender-specific roles, responsibilities and fundamental freedoms (UN-Women 2022¹). These beliefs have real effects in different spheres of women's life, most notably in education, decision-making, employment opportunities etc.

Prevailing gender-discriminatory views about household roles, consider that woman's most important job is to take care of the home and cook for the family. These negative and stereotypical views on gender roles also legitimise different forms of Gender-based violence (GBV). Violence against women and girls is a significant issue in Jordan and affects all segments of society regardless of their social or economic status. The most common forms of GBV in Jordan include physical violence, sexual violence, emotional abuse, and sexual harassment. The latest Jordan Population and Family Health Survey (DHS) 2017-2018 reveals that 29.5% of ever-married women aged 15-49 reported experiencing physical, sexual, or emotional violence by their husband or partner at some point in their lives. Among women who had experienced physical or sexual violence, 41% reported injuries².

A powerful example of how gender discriminatory norms shape access to and control over resources is that very often women and girls are forced to give up their inheritance rights to male members of the family like brothers, leading to their economic disempowerment (UN Women 2019). Data on the ownership of resources (DOS 2024) reveal that women own less than 20% of land in the country. Climate change and increased land and water scarcity compound the situation and further magnify gender inequalities, thus undermining women's vital role in local food systems.

Gender inequalities, including the imbalanced distribution of unpaid care make women more vulnerable to the threats and implications of climate change, especially in terms of women's health and time poverty. For instance, time spent by women on managing the scarce water resources and upgrading the quality of water (through boiling etc) is expected to increase. Women will also experience increased stress from identifying food sources to provide nourishing diets and avoid malnutrition (UNDP 2021)³.

Women in Jordan play a vital role in local food production and processing. They participate in farming, alongside male family members, and perform major roles in sewing, harvesting and processing. According

¹ Un.Women (2022) IMAGES.

² [UNFPA Jordan | Gender-Based Violence and Harmful Practices](#)

³ UNDP (2021) Gender and Climate Change in Jordan: exploratory analysis.

to a UN-Women report (2018)⁴ home-based agriculture is the most common type of agricultural activity undertaken by women in rural areas, especially in rainfed lands. This is particularly common among Jordanian women possibly due to the fact that they can access and own land more easily. However, Refugees women tend to be overrepresented among agricultural wage labourers, especially in the irrigated areas of the Jordan Valley, where they often work in precarious and unsafe labour conditions.

Agricultural labour is especially common among women from poorer economic backgrounds, who are usually employed informally on small to medium size farms. These women make up the largest section of females active in agriculture in the country. Official estimates regarding female participation in the sector (0.9%) are extremely low, because agricultural labour is largely informal and underreported. Moreover, while participation in home-based agriculture is perceived as an extension of women family responsibilities and thus largely endorsed by prevailing societal norms, wage employment in agriculture is stigmatised and considered to be socially unacceptable for women. Women agricultural labourers are exposed to unsafe labour practices and typically receive lower wages. The gender wage gap in agriculture is mostly related to the biased assumptions that female activities have a lower value as they do not require physical strength. However, women are often involved in tedious and time-consuming activities, such as thinning and sorting. For instance, dates plantations in the Jordan Valley employs mostly women in date thinning, which involves removing some fruits from a date palm bunch to improve the quality and size of the remaining dates.

The UN-Women report (2018) also confirms that women's involvement in small or medium scale agricultural production initiatives, such as through local community associations and cooperatives is extremely low, which is probably related to their low participation in these associations and the prevailing norm that sees farming, especially commercial agriculture, as a male domain. However, consultation activities with FAO, reveal that gender-focused projects in partnership with CBOs have a great potential to reach and benefit women, particularly when these target sectors and activities of the food system where women have a comparative advantage, such as processing.

From an age perspective it is important to notice that young women (18-30) are highly involved in family farming activities. The survey carried out by UN-Women (2018) reveals that approximately 25% of women agricultural family labourers, were girls in the age range 18-30. Overall, there is evidence that women engaging in home-based agriculture and food processing in Jordan are likely to belong to younger age groups, be married with children and have relatively lower levels of education. Women household heads are also overwhelmingly involved in agricultural production. The incidence of women's headship in the country is higher than 20%, up to 25 in certain areas. Women headed households are more vulnerable to poverty as the loss of the male breadwinner can cause profound socio-economic distress.

It is also important to emphasise the important role that home-based food processing play as a women dominated sector. This activity often represents an important income stream for poor and vulnerable women. Yet these women small-scale producers face major organizational problems and suffer from a number of gaps and inefficiencies that hinder their growth. This prevents them from trading with other businesses and diversifying their markets, which limits their end market to family and friends, and causes them to operate informally and remain in the same income bracket.

Focus group discussions carried out in rural areas during the design process confirm these data and reveal that rural women and girls are eager to gain access to an independent income. For example, poor and

⁴ UN-Women (2018) WOMEN'S PARTICIPATION IN THE AGRICULTURAL SECTOR, RURAL INSTITUTIONS AND COMMUNITY LIFE. Amman.

unemployed women members of Women's Associations that were met in Tafilah governorate, are struggling with precarious livelihoods and a poor asset base. Many of them are already involved in home-based agriculture and micro-scale processing activities. They produce some vegetables mostly for self-consumption and process some food for the local market. They expressed a clear interest for capacity-development and training on both climate smart agriculture and food processing and are keen to access more modern and water saving irrigation systems. Some of the women and girls met were also employed by CBOs and producer organisations in larger scale food processing plants for tomato drying on a seasonal basis. Women's Associations are often an important support for more vulnerable women and represent a key project's partner to deepen the project's gender and poverty focus.

The support to micro-business development also in partnership with Women's Associations and the creation of a women and girls-dominated leadership and peer learning structure, will enable women to play an increasingly active role in the sector, by contributing to foster their economic empowerment, leadership and collective action.

The policy and institutional framework. The Government of Jordan established the Jordanian National Committee for Women's Affairs in 1992, which serves as the national machineries concerned with the empowerment and advancement of women. Approved in 2020. The National Strategy for Women in Jordan (2020-2025) promotes women's rights and empowerment. The strategic priorities have been set in alignment with the Jordanian Constitution, national plans and sectoral strategies such as the Jordan 2025 (A National Vision and Strategy), and on the footsteps of the Renaissance Plan: Government priorities for 2019-2020, the Comprehensive 8 Sectoral Policy for Promoting Gender Equality and Women's Empowerment 2020-2022. The logical framework for the strategy has been linked to national plans and strategies related to women, as well as international obligations and commitments, particularly the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Beijing Platform for Action (BPfA), the Sustainable Development Goals (SDGs) Agenda 2030.

The Jordan's Economic Modernization Vision (2023–2040) include important gender provisions and emphasises job creation for women and support to the care economy as critical pillars. Moreover the recently approved Youth and Women empowerment strategy in the water sector (2025-2028) aims to build leadership through education, innovation, and active participation in sustainable water management. It emphasizes skill development, involvement in community and policy-making processes, and integration with national strategies.

The Government of Jordan has also adopted important legislative and policy measures to address GBV in the country, such as the National Action Plan to address child marriage and the Executive Plan for the National Priorities for strengthening the response to Gender-Based Violence, Domestic Violence, and Child Protection 2021-2023" Yet, much work remains to be done to prevent and address gender-based violence in Jordan, including addressing social norms and beliefs that perpetuate violence against women and girls,

Finally, Jordan has made considerable advancements in the national legal framework regulating the labor rights of agricultural workers⁵. The recently approved bylaw on Agricultural Workers (2021) defines working hours, vacations and social security standards for both Jordanians and migrant laborers. It also highlights specific measures for female agricultural workers (10 week paid maternity leave, overpaid time etc.). Despite these notable achievements, there is still limited awareness in rural areas of existing regulations.

⁵ Solidarity Center - Jordan Agricultural Workers Win Landmark Rights

Lessons learned. Under REGEF, women accounted for more than 60% of beneficiaries, highlighting the project's main focus on gender inclusion. Women in grant-supported businesses have strengthened their agency and enhanced their social standing in their communities and broader rural economies. However, based on the findings of the project's impact assessment, JRF recommends expanding gender-focused entrepreneurship models, including more mentorship, incubation and acceleration to further support and upgrade women-led businesses. Staff from JEDCO also remarked the need to more systematic integration of norm-change messages in project-supported activities.

REGEF-UP GENDER STRATEGY.

REGEF-UP is gender-transformative. The project's gender strategy aims at strengthening gender equality and empowering women in climate adaptation and food system transformation. More specifically, the strategy will contribute to the 3 SOs of IFAD's Gender Policy.

SO1: women's economic empowerment. This will be achieved by promoting women's access to and control over an autonomous income stream through the provision of women-tailored services and support packages and employment opportunities. More specifically women's economic empowerment will be achieved by

- ❖ **Strengthening women's access to and control over key productive resources**, especially grants, processing equipment, water-harvesting and climate-smart technologies (sub-component 1.1.), aimed at enhancing women's adaptive capacity and overall family's resilience.
- ❖ **Enhancing women's access to rural finance** (sub-component 2.1). Under component 2, women will be intentionally targeted in the delivery of both credit and financial literacy training . Products and procedures will be adapted to account for women's asset ownership patterns and social roles. The component will promote women's decision-making power in financial matters through tailored financial education and inclusive lending mechanisms. Gender-disaggregated monitoring will help ensure that outcomes are equitable and responsive.
- ❖ **Promoting the formation and scaling-up of women-led micro and small enterprises**, by leveraging those segments of the food system in which women have a comparative advantage, such as processing and value-addition, as well as by delivering women-tailored Business Development Services (BDS) and improved capacity to use digital technologies for marketing (Sub-component 1.1.) .
- ❖ **Generating decent wage employment for poor rural women in processing and packaging**, through value-chain development activities and by training farmers and processors on labour standards, OHS, and decent wages and jobs.
- ❖ **Policy engagement and advocacy on GEWE** will address the gender and nutrition nexus of women's economic empowerment and improved nutrition as well as gender issues related to the care economy (in partnership with UN-Women, under Component 3). The project will also assess gendered barriers in the regulatory environment that limit women's ability to register their home-based businesses and access more lucrative markets (Sub-component 1.1.)

SO2: equal representation and voice. The development and strengthening of women-led businesses will contribute to enhance women's social standing in their communities and families. Gender training, SBCC and norm dialogue sessions will also address gender imbalances in leadership and decision-making. More specifically equal representation and voice will be achieved by:

- ❖ Developing a module to discuss gendered patterns of household planning and budgeting as part of business and financial management training implemented under sub-component 1.1. and as part of financial education implemented under component 2.
- ❖ Integrating gender norms dialogue sessions across different platforms, to discuss and tackle negative social norms that restrict women's economic opportunities and participation in decision-making.
- ❖ Supporting peer learning and women's networks contribute to build a women's leadership structure.

SO3: workload reduction and redistribution and sharing of social benefits. These will be achieved by discussing gender disparities in workload distribution during different training and norm-dialogue sessions, as well as through policy engagement on GEWE. More specifically the project will:

- ❖ Address the issue of excessive women's workload in training and dialogue sessions, implemented under component 1.1. as well as in OHS training with larger processors and SMEs.
- ❖ Policy engagement focusing on the care economy in partnership with UN-Women.
- ❖ Providing women with food processing machineries that can enhance the scale of production, while at the same time reducing working hours.

Negative gender norms will be tackled through the implementation of gender training and gender norm dialogue sessions, that will be delivered through existing training platforms. The project will also address existing gender biases and discriminations in agricultural labour markets and wages, through messaging and sensitization of different producers SMEs and value-chain operators as part of training on labour and OSH standards.

Women's occupational health and safety issues and awareness raising on GBV, will be addressed in all training activities in accordance with SECAP procedures. Contracted service providers will have to demonstrate experience and capacity to address GBV in their operations, including through the implementation of awareness-raising activities and the dissemination of a GBV reporting system.

Implementation modality

Responsibility for gender and other mainstreaming themes will be allocated at PCMU level. The M&E officer will have overall responsibility for overseeing the project's gender strategy (alongside the other mainstreaming themes), ensuring its integration in all the activities of the project (as detailed in the Gender and Youth Action Plan, GYAP and in the attached ToRs) and building capacity of all project's staff in collaboration with a contracted expert. A full-time staff, fully dedicated to supporting the mainstreaming of gender, nutrition, youth and social inclusion themes i will be appointed upon finalisation of the partnership agreement with UN-Women.

A gender and social inclusion expert will be contracted to develop and implement a detailed project's gender strategy. She will also be responsible for:

- ❖ Developing the gender module for training delivered under component 1.1. and the methodology for the gender norms dialogue sessions.
- ❖ Review existing training materials to integrate attention to gender and age issues, including the training on financial and business management implemented under sub-component 1.1. and the curriculum for business mentoring.
- ❖ Revising the ToRs for the value-chain study (Sub-component 1.2.) to include attention to gender and youth.
- ❖ Supporting ToT Training and training of staff.
- ❖ Identify entry points for policy dialogue on GEWE (in partnership with UN-Women)

Definition of Gender Norm Dialogues. Dialogue sessions are participatory, culturally sensitive and action-oriented community forums where community members discuss specific gender norms or practices, that they identify as negative; analyze their causes and consequences and develop commitments towards addressing those issues in their family and community. It is an interactive discussion where people are encouraged to share their views and ideas on how social and gender challenges can be dealt with. The discussions should be community-driven and facilitated by a well-trained field worker. The sessions should be held periodically thus allowing dialogue to happen over some time rather than through a one-off effort. Participatory and visual tools should also be used to stimulate reflections and facilitate agreements and consensus building. Under REGEF-UP Project, community dialogues are also about building awareness of how women's economic empowerment can contribute to family well-being and improved nutrition as well as on the opportunities and potential benefits of more inclusive and collaborative families.

Capacity development. Contracted service providers will be trained on the Gender Norms Dialogue methodology and ToT training will be carried out to build capacity of field staff.

Partnership with UN-Women. IFAD is currently finalising an agreement with UN-Women to collaborate on the implementation of specific GEWE interventions. These will include a dedicated line of activities to support and boost women-run enterprises as well as policy engagement on GEWE. Implementation modalities will be further determined.

Gender criteria in selection of service providers. Contracted service providers, especially for the implementation of sub-component 1.1. will have to demonstrate a consolidated capacity for working on GEWE. In particular, they have to ensure:

- Presence of dedicated staff with responsibility for GEWE and other mainstreaming themes;
- Adoption of measures for preventing, mitigating and responding to GBV;
- Existing capacity and experience to implement GEWE projects.
- Experience in policy dialogue on GEWE.

Monitoring GEWE outcomes. A TA will be contracted to carry out the baseline study for the Empowerment Indicator.

B. YOUTH

The government of Jordan identifies youth unemployment as one of the country's main challenges. With half of the population in the 15-39 age group, the country has one of the youngest populations in the world. Unemployment rates among the youth population have increased dramatically following the COVID outbreak. Today, approximately half of the youth population in the age group 15-24 is unemployed (DOS 2024). The situation is even more severe for female youth, whereby 64% of girls (15-24) in Jordan is classified as unemployed (DOS 2024), albeit 60 per cent of young Jordanian women move on to higher education compared to only 40 per cent of their male counterparts (UNICEF 2021⁶). Both male and female youth in Jordan are generally educated and connected to the global community. However, this does not translate in greater access to economic opportunities.

Overall, in the past decade, Jordan's stagnating economy has failed to create jobs to absorb its rapidly growing youth population. Lack of tailored support for employment creation, as well as structural barriers, including in terms of access to land and finance for the youth, compounds the situation. Regarding youth financial inclusion, the country lags significantly behind, as only 29% of bank accounts are owned by youth

⁶ UNICEF (2021)

(-25), thus signalling a generational income gaps (to compare, the account ownership among 25+ year-olds is approximately 55%)

Relatively few young Jordanians, even fewer young women, in rural areas have chosen to create new enterprises as a means of gaining employment. This is mostly related to the fact that emigration is very attractive among both female and male youth and a growing challenge in rural areas. While emigrants were traditionally almost exclusively young men, migration is increasingly a common choice among young women (IFAD-ILO undated⁷).

The economic situation and the perceived shortage of job opportunities, especially for youth in rural areas, has a critical gender differentiated impact. Young men cannot consider marriage until they get a job and can provide for a family. Limited job opportunities and informal or insecure employment are contributing to increase the mean age of marriage. However, prevailing social and gender norms influence youth's attitudes towards employment choices. Indeed, in times of job shortage, both girls and boys believe that the latter should have priority in the labour market. Thus, unemployment among young men is intensifying resistance to women joining the labour market. The labour market also embeds a clear "gender discriminatory regime", whereby employers tend to prioritise more boys than girls especially in access to formal job opportunities. Overall a UN-Women report (2022) on gender norms in Jordan, found evidence that despite the gains of the women's movement and major social changes, a strong enough backlash against gender equality seems to exist, whereby many young people, both women and men, still embrace restrictive ideas about gender roles.

Access to economic and employment opportunities for refugee youth living in rural areas is even more challenging. Rampant poverty makes them particularly vulnerable to harmful or exploitative labour practices, especially in the agriculture sector (UNICEF 2021). Specific challenges facing refugee girls include limited mobility and forced or early marriage as well as exposure to the risk of sexual harassment in the workplace.

Despite these challenges, agriculture is seen as a strategic sector for employment and green job generation in rural areas (World Bank 2019, GIZ 2023). It is estimated that approximately 10.000 green jobs are generated in primary production. These are expected to raise to 11.000 by 2030 (Jordan Government 2022 in GIZ 2023). Data for the generation of green job opportunities in processing and value-addition are currently not available. However, it is projected that with the right incentives, and adequate capacity and skills development opportunities, the sector can attract different segments of the rural youth population.

Interviews with young women and men carried out during the design mission confirm that while youth are underrepresented in farmers organisations and CBOs, the rural youth population is actively involved in agriculture and farming. As already pointed out many female agricultural producers are young both married and unmarried women, who often perform a vital role in home-based farming and food processing. While less educated both female and male youth from poor households participate in agriculture, as both family labourers and wage workers, it was often evident, that young people from less poor households tend to have higher education levels and are more likely to seek formal employment in urban areas. Yet, several young, educated farmers (often with a more solid asset base) were met who are willing to innovate and invest in climate-smart agriculture.

⁷ IFAD & ILO, Young women's employment and empowerment in the rural economy.

A study (Abu Harb et al.)⁸ conducted in Jerash, Jordan, reveals the critical role that more educated youth can play in sustainable agriculture as leaders and role models. A gender balanced youth group aged between 25 and 30 received a training in business planning, marketing, and sustainable farming practices. The analysis revealed that education level significantly affected participants' pre-session knowledge and post-session attitudes toward agricultural entrepreneurship. The study remarks the need for inclusive strategies to empower rural youth in agriculture and the important role that more educated young farmers can play as leaders, role models and drivers of change in the sector.

The institutional and policy framework. The Government of Jordan considers youth employment as a priority policy issue. The need to make education and skill development training more demand-oriented is being recognized in strategies of very different sectors that are important for youth empowerment in rural development: the environment, management of natural resources, the green economy and agricultural development. This is particularly important in rural areas, where programmes and projects addressing productivity and related value chains can provide opportunities for mobilization of youth.

In particular, the country Economic Modernization Vision (2022) aims to create over 1 million jobs by 2033, with a focus on sectors like digital technology, healthcare and sustainable resources. This plan includes a dedicated strategy to enhance formal employment and support youth unemployment alongside national efforts to support the creation of green jobs.

In 2019, the Ministry of Youth has approved the National Youth Strategy (2019-2025). The document recognizes the vital role that the youth play in building a prosperous country and address the multiple cultural, social, political and economic obstacles faced by the youth in the country, with a special focus on the high rates of unemployment and underemployment. Close attention is also paid to human rights and the civil and political rights of young people, women, persons with disabilities and of all social strata.

Youth strategy

REGEP-UP is youth-sensitive. The objective of the project's youth strategy is to promote youth socio-economic empowerment.

A core component of the project's youth strategy is to generate wage and self-employment in agriculture benefitting unemployed and under-employed young women and men (18-30). REGEP UP also aims at generating youth-led green enterprises and jobs.

In accordance with ILO definition, the project defines green businesses, as those ventures that contribute to create decent and environmentally sustainable enterprises that specifically contribute to:

- Improve energy and raw materials efficiency
- Limit greenhouse gas emissions
- Minimize waste and pollution

⁸ Abu Harb S. et al. (2024) Empowering rural youth in agriculture through peer learning can unlock the sector's potential and drive sustainable growth. November 2024 [Journal of Hunan University Natural Sciences](#) 61(11):1-8

- Protect and restore ecosystems
- Support adaptation to the effects of climate change

Many of the microenterprises supported under sub-component 1.1. will contribute to the government green job agenda as they focus on water-efficient and climate-resilient production, (e.g. IPM, organic farming and soil and water conservation activities, water harvesting etc.).

Packages for climate resilient farming practices and technologies have a great potential to contribute to adaptive capacities, limit greenhouse emissions and protect and restore the ecosystem. Dissemination of water-efficient production is expected to contribute to improved water management and reduced pressure on scarce water resources. Moreover, under Activity 1.1.5, the project will support micro entrepreneurs to register their businesses.

Jobs that will be generated for the youth under activity 1.1.7, are also classified as “green” as they aim at providing services to climate resilient agriculture and value-chains. This is in line with the definition of green jobs adopted by local stakeholders and NGOs working on green job generation.

More specifically, the project will promote a youth-socio-economic pathway by implementing the following measures and activities:

- ❖ **Prioritizing youth in all activities implemented by the project, with emphasis on capacity-development for climate-resilient agriculture, green jobs and micro-business creation.** It is envisaged that activities under-subcomponent 1.1. will lead to the creation of at least 150 youth-led (green) businesses and 120 green jobs.
- ❖ **Enhancing young people’s skills in digital marketing**, through digital training (under sub-component 1.1. and 1.2.)
- ❖ **Promoting internship/apprenticeship opportunities in the 50 SMEs selected under sub-component 1.2.** This is expected to create 150 internship/apprenticeship programmes (including at least 50 female youth), benefitting rural youth with a degree in agriculture.
- ❖ **Promoting youth’s access to rural microfinance** and youth-tailored financial literacy and education (supported under Component 2)
- ❖ **Address the specific (and normative) barriers that rural girls face in access to economic opportunities** through the implementation of social norms dialogue sessions and by prioritizing the participation of girls in peer-learning events.
- ❖ **Promoting youth’s social empowerment**, especially by prioritising young women and men in peer learning activities and through the creation of a cadre of youth role models and champions.

Responsibility for supervising youth mainstreaming will be allocated to the M&E person.

A technical expert will be hired to finetune the project’s youth (and gender) strategy, with attention to defining a strategy for youth engagement and social mobilisation.

Partnership with UN-Women. IFAD is currently finalising a partnership agreement with UN-Women to implement a youth-focused business incubation and acceleration programme for youth-led green SME (e.g. recycling, waste management, circular economy etc.) that can generate jobs in rural areas, while also contributing to protect the environment and reduce minimize waste and pollution.

Capacity-development. All project’s staff, including service providers and field workers will be sensitised on the project’s criteria for youth targeting and the specific activities targeted at the youth population.

Youth issues in the ToRs of service-providers. The following criteria will be included in the ToRs of service providers:

Sub-component 1.1.

- Presence of staff/consultants with consolidated expertise in youth empowerment projects. Experience with implementing youth empowerment projects, with a specific focus on green jobs and green enterprises creation and digital training.

Table on REGEF's UP Gender and Youth Action plan

Component/ Activity	Measure/action	Output/targets	Roles	Means of verification
COMPONENT 1: RESILIENT AND INCLUSIVE VALUE-CHAINS				
Sub-component 1.1. Microentrepreneurs' production and processing				
Activity 1: capacity development for climate-resilient smallholder crop production.	❖ Targeting women (40%) and youth (30%) in all training activities on water-saving techniques and climate resilient agricultural production. ❖ ToT training on gender and nutrition for facilitators. ❖ Integrate attention to gender issues in the module on basic financial and business management, focusing on intra-household roles and dynamics in budgeting and planning, ❖ Gender norms dialogue sessions focusing also on workload distribution and decision-making.	• 40% women and 30% youth trained. • 50 facilitators trained on gender and nutrition • A gender-focused module for training on business and financial management is developed and rolled out.	PMU focal point for mainstreaming themes; contracted service-provider; contracted Gender and Nutrition TA.	Progress report; Training materials and reports; M&E
Activity 2: Capacity development for food processing.	❖ Women-targeted activity ❖ Targeting 50% poor women (WHHs, women NAF beneficiaries, female refugees) and ensuring targeting of women's associations. ❖ ToT training on gender and nutrition for facilitators. ❖ Supporting women to develop their business proposals.	• 100% women targeted (2500 women and girls) • 30% are below 30 • 35% are classified as poor. • 15% are refugees women • 20% are women household heads	PMU focal point for mainstreaming themes; contracted service-provider; contracted Gender and Nutrition TA.	Progress report, M&E; training materials and reports.
Activity 3 Grants for climate resilient production and food processing.	❖ Ensure 50% women and 30% youth receive grants for implementing their business proposals Ensuring outreach to poor women and girls in business selection and grant allocation (at least 35%).	• 50% women and 30% youth grant beneficiaries ((35% classified as poor) • 20% are WHHs • 15% are women and youth refugees •	PMU staff involved in grant allocation process; 1 service provider contracted for grant management.	Progress report; M&E; grant agreements

Activity 4 Business mentoring	❖ Targeting 50% women and 30% youth for business mentoring scheme. ❖ Targeting a minimum of 35% poor women and girls (WHHs, NAF beneficiaries, refugees) and ensuring outreach to Women's Associations. ❖ Gender and nutrition specialist to review the curriculum for business mentoring with a focus on gender and nutrition. ❖ ToT training on gender and nutrition for mentors (especially for those supporting home-based food processing).	• 50% women (520) and 30% youth (300) participate in the business mentoring scheme. • 100 mentors trained on gender and nutrition. • 1040 sustainable micro-business generated • 150 youth-led micro businesses classified as green.	PMU focal point for mainstreaming themes; contracted service-provider to deliver business mentoring. Gender and nutrition experts to review and update the curriculums.	Business mentoring reports report M&E
Activity 5: Marketing and digital marketing	❖ Training 500 women and youth in digital marketing. Priority is given to women and girls-run businesses with potential to grow. Beneficiaries of REGEP I and II can also be targeted. ❖ Engaging with buyers and aggregators for inclusive supply chain arrangements benefitting women and youth food producers and processors.	• 500 women and youth trained in digital marketing • Support to business registration provided. • Supply chain arrangements involving women food processors are established with at least 6 aggregators, benefitting approximately 100 (mostly women) beneficiaries.	PMU focal point for mainstreaming themes and VC specialist. Contracted service provider to provide business mentoring and marketing support.	M&E; training reports; progress reports.
Activity 6: Peer learning, Fairs and events	❖ Organise women and youth focused learning events and peer exchange on a quarterly basis and include competitions and awards. ❖ Organise at least 2 market fairs/events per year. ❖ Foster a cadre of women champions and role models (also including women from REGEP I and II).	• 4 learning events are organised per year • 2 marketing events are organised per year • A women and youth-dominated peer learning structure is created.	PMU focal point for mainstreaming themes and contracted service provider.	Peer learning plan; progress reports. M&E
Activity 7: Green Jobs	❖ Providing youth (especially the poorer and unemployed groups) with capacity development and grants for green job creation	• 120 green jobs created (70% male and 30% female youth)	PMU focal point for mainstreaming themes and contracted service provider.	Progress reports, training reports; grant agreements; M&E

Sub-component 1.2. Value-chain development				
Activity 1 Value chain study and in-depth assessment.	❖ Include attention to women and youth's potential and actual participation in the selected value-chains, as well as to nutrition sensitive interventions.	Value-chain assessment include attention to women, youth and nutrition.	PMU focal point for mainstreaming themes. Nutrition specialist; Gender specialist. implementing partner.	Progress reports
Activity 2 Identify/select SMEs and farms to upgrade.	❖ Include job generation for women and youth and nutrition-sensitive interventions in business plans with selected SMEs, as a condition for grant financing.	Business plans for 50 enterprises include attention to women and youth and nutrition-sensitive interventions (including internship/apprenticeship programme for the youth)	PMU focal point for mainstreaming themes. Nutrition specialist; implementing partner.	Progress reports.
Activity 3 Upgrading and equipping value chain actors	❖ Ensure equipment and machineries for processing and packaging are women friendly. ❖ Ensure gender focused OHS training is delivered to target enterprises, also including sensitization on gender pay gap.	- Women-friendly processing equipment are acquired by SMEs through the grant scheme. - Gender-focused OHS training and gender pay gap is delivered to 50 SMEs and 750 smallholder producers. - Include compliance with national labour laws in contracts with SMEs 1250 jobs generated (100% jobs in processing benefitting women and girls) 150 youth (50 female) undertake an internship/apprenticeship programme with the 50 selected SMEs)	PMU focal point for mainstreaming themes. Implementing partner.	Training materials and reports; progress reports Grant agreements and contracts.
Activity 4 Promote market access and digitalisation.	❖ Train youth on digital technologies and social media marketing.	X number of youth trained.	PMU focal point for mainstreaming themes. Implementing partner.	Training materials and reports. Progress reports.
COMPONENT 2. RURAL FINANCE				
Sub-component 2.1. Improved access to finance for MSMEs				

Activity 1. SME loans via CBJ and microloans via ACC	❖ Ensure SME loans include women-run businesses and select investments that generate jobs for women and youth ❖ At least 25% of microloans beneficiaries are women and 30% youth (18-40)	• 25% women and 30% youth (18-40) microloans beneficiaries.	Financial institutions	Loan records. Progress reports.
Sub-component 2.2. Technical capacity of PFIs				
Activity 1. Capacity building of PFIs	❖ TA to build capacity of PFIs include attention to gender and rural finance issues.	• Gender issues are integrated in capacity building module.	PMU rural finance specialist; TA.	Training material; progress reports.
Sub-component 2.3. Improved financial literacy				
Activity 1. Financial literacy	❖ Include gender issues in financial literacy modules, using adult education methodologies and approaches that link training content to women and men-specific challenges and issues in financial management. ❖ Ensure 30% of beneficiaries of literacy training are women and 40% youth.	• Training curriculum integrates attention to gender issues • 30% women and 40% youth benefit from financial literacy.	PMU rural finance specialist and focal point for mainstreaming themes; Service-provider	Training materials and reports. M&E
COMPONENT 3: POLICY SUPPORT AND PROJECT MANAGEMENT				
Activity 1 Policy dialogue	❖ Engage in policy dialogue on gender and nutrition (focus on gender and nutrition nexus; care economy; regulatory environment for registration of women's home-based businesses and food safety standards)	• At least 3 policy paper developed. • At least 3 policy events organised.	Gender and Nutrition Tas; focal point for mainstreaming themes.	Progress reports.

C. NUTRITION

With a score of 12.0 in the 2024 Global Hunger Index, Jordan's hunger level is considered to be moderate. However, the GHI score has increased from 6.8 in 2016 to 12.0 in 2024, thus signalling a deterioration of food security in the country. The main drivers of raising food insecurity and malnutrition in the country are the protracted refugee crisis; the global food price increase, triggered by the recent COVID pandemic and the Ukraine crisis. The food price crisis, coupled with high unemployment rates have undermined the affordability of healthy diets. The consumer price index for food has risen annually by more than 5% since 2015. The price of meat, poultry, fruit, and legumes has been most impacted by this trend; staple foods have been less affected. The cost of fresh food has increased for more than half of the population of refugees

At the national level, Jordan is self-sufficient to produce vegetables, fruits, eggs, fresh milk, olive oil and poultry meat. Moreover, subsistence and small farmers relies on their production to satisfy most of their food needs. However, Jordan heavily depends on imports to meet its needs of major food commodities, such as wheat, barley, corn, rice and pulses. Frequent climate-induced shocks, water scarcity, low productivity especially in rain-fed areas along with underinvestment in climate resilient agriculture further undermine the food security and nutrition situation in the country. The refugee population is overrepresented among the food insecure population as they lack the assets and resources to produce and/or access food independently. It is estimated (UNHCR 2022) that 16% and 45% of camp and out-of-camp refugees respectively are food poor.

Food system transformation in Jordan has been driven by the rapid expansion of supermarkets and fast-food retail sales. This has contributed to change local food habits and dietary choices, also through large scale **dissemination** of food advertisement (Rabboh et al. 2023). The national average intake of food groups associated with health and environmental impact (e.g. red meat, fish and dairy) by adults 20 years of age and older significantly exceeds the recommended daily intake. As a result, the rise in obesity, is alarming. The Jordanian Department of Statistics (2018) reports that about 30% of households spend over 30% of their income on food, with the largest percentage going towards meat and poultry. The average household spends JOD 1,200 on meat and poultry annually, more than they do on staple foods, according to the Department of Statistics. Cereals, cereal products, bread, vegetables, and legumes come next, followed by dairy, cheese and eggs.⁹

Women and girls are one of the most nutrition-vulnerable groups in the country. Data from the latest Global Nutrition Report (2022) shows that more than 46% of women older than 18 years are obese (versus 31% of men), 37.7% of women of reproductive age (15–49 years) are affected by anaemia, and 18.9% of all women (18 years or older) have diabetes. The Global Nutrition Report (2022) also remarks that Jordan is 'off course' to meet all targets for maternal, infant and young child nutrition (MIYCN). Regarding undernourishment, although only 3% of all Jordanians are undernourished, the rate of undernourishment amongst the country's large refugee population is 21%, and two thirds are at risk. Finally, new and emerging cultural norms have altered food habits causing high levels of food waste especially during ceremonies and public events (Rabboh et al. 2023).

Finally, food safety remains a growing concern in Jordan, particularly in informal markets and among small-scale producers, where limited regulatory oversight and poor handling practices can compromise food quality and safety standards. At the same time, food loss and waste across the supply chain—from farm-level inefficiencies to consumer-level waste—pose a significant challenge, with recent studies estimating that up to 30% of food is lost or wasted annually, exacerbating food insecurity and environmental stress.

Institutional and policy frameworks. Attention to food security and nutrition is high on the government the National Food Security Strategy 2021-2030 recognises that the agricultural sector is a major pillar of food security, particularly in a water-scarce country. The strategy highlights that food security is increasingly becoming a major national issue in light of urbanisation, the refugee crisis, international food price rises

⁹https://foresight4food.net/wpcontent/uploads/2024/02/an_overview_of_the_jordanian_food_system_outcomes-wageningen_university_and_research_640975.pdf

and fluctuations, and climate change impacts. The formulation and implementation process of the Strategy constitute an opportunity to build the country's resilience in the face of unprecedented shocks and economic slowdowns. The Jordan's National Nutrition Strategy (2020–2030), seeks to address the multiple forms of malnutrition and to build on the progress achieved through the implementation of previous action plans for nutrition, driving progress towards globally agreed goals on nutrition and the Sustainable Development Goals by 2030 the national response to non-communicable diseases (NCDs), and the country's Food Systems Transformation Pathway, which promote sustainable food production, improved access to nutritious foods, and climate-resilient value chains that contribute to healthier diets and rural livelihoods. Finally

The National Framework of Action on Obesity Prevention (2018–2023) was established in 2019 as a multisectoral strategy to address nutrition-related issues in Jordan. The committee's objective included improving the amount and quality of dietary fats and oils as well as optimising the diet's salt and sugar content, reducing sedentary behaviour, and enforcing marketing regulations on food commodities, including their labelling and breast milk substitutes. The committee was able to lower the amount of salt in bread, improve the quality of food given in youth camps, and optimise the fat content of dairy products and food served in public institutions, particularly by removing trans-fat manufactured industrially. Additionally, educational resources such as country-specific food consumption tables, food-based dietary guidelines, and dietary suggestions for treating noncommunicable diseases were made widely available.¹⁰

REGEP-UP Nutrition strategy

REGEP-UP is nutrition-sensitive. The project's nutrition intervention aims at increasing knowledge of healthy food practices and improving availability and access to safe and quality foods among target households. This will follow different pathways:

- **Nutrition education and SBCC:** nutrition will be mainstreamed in all training activities implemented under REGEP UP, with special emphasis on food processing and business mentoring. Key topics that will be addressed during training include:
 - ❖ Overview of main nutrition problems in the country (with a focus on obesity, anaemia in women of reproductive age, diabetes and poor consumption of healthy and diversified diets)
 - ❖ the nutrition value and health benefits of different foods and food processing practices, including practical and tailored recommendations for women and girls
 - ❖ how to prepare healthy, balanced and diversified diets also through practical cooking sessions.
 - ❖ SBC messaging to tackle unhealthy food habits (e.g. food waste, eating junk food, excessive meat consumption etc.) and promote behavioural changes in dietary choices.

Nutrition education modules will also be developed in consultation with specialised actors in the country including the Ministry of Health. Collaboration with MoH and MoSD field officers at the local level will also be established. Incorporating nutritional education into the processing school curriculum, with practical lessons, cooking sessions and healthy food promotions, is expected to positively impacts dietary behaviours.

It is also important to notice that the food processing school are intended to boost production of traditional and nutritious food and their availability in local markets. This will also be supported through the organisation of fairs, bazars and other cultural events, which will provide opportunities to reinforce messaging on healthy nutrition habits versus junk food consumption.

- **Women's empowerment.** REGEP-UP will promote women's access to an autonomous income stream, mostly through the development of women-led micro and small businesses in agriculture and food processing, targeted at nutrition-vulnerable women and girls. This intervention, coupled with nutrition education will lead to improved nutrition in the household.

¹⁰ [WHO EMRO | Success stories | Publications | Nutrition site](#) 1427

Nutrition-sensitive food-systems and value-chains. The project will integrate nutrition-focused interventions in all activities of the food system to enhance production of safe and quality food in accordance to existing standards. In particular, nutrition-sensitive value chains will be promoted to enhance the availability, affordability, and consumption of safe and diverse foods, with special attention to nutrient-dense crops and products that contribute to healthier diets. A nutrition specialist will be hired to identify existing opportunities for nutrition sensitive measures in all the selected activities of local food systems and value-chains. The table below provides an example of general nutrition-sensitive (and climate resilient) interventions to be embedded in food system transformation and value-chain development activities.

Production	• Minimising groundwater consumption through rainfed trees and fruit crops, responsible use of drip irrigation and water harvesting technologies; • Reducing use of chemical inputs through IPM and organic farming to preserve micro-nutrients.
Transportation, Processing and packaging	• Reducing food losses by upgrading processing facilities • Training on Food Quality and Safety standards and labelling. • Promoting processing techniques and methods like pickling and fermentation that enhance nutrient bioavailability. • Drying of fruit and vegetables using solar dryers to reduce carbon emissions and preserves micro-nutrients • Reducing the use of non-recyclable plastic in processing and packaging.
Marketing	• Increasing availability of healthy foods (including organic and quality processed foods) in local markets • Promoting consumption of healthy foods through the organization of fairs, bazars and other events. • Promoting market linkages that can absorb production and reduce food waste.

- **Policy dialogue on food safety and nutrition.** REGEP-UP will explore opportunities to engage in policy-dialogue on food/safety and nutrition, with a focus on improving the regulatory framework for the production of quality and safe food. Policy engagement activities will also address the vital gender and nutrition nexus. The project will also support the Government of Jordan in the mid-term review and updating of the National Food Security Strategy (NFSS) 2021–2030.

Implementation modality

A technical TA will be contracted to better define the project's Nutrition Strategy to be developed at early implementation. The expert will be responsible for:

- ❖ Mapping opportunities for nutrition-sensitive interventions in food system transformation and target value-chains, as part of the value-chain study (sub-component 1.2)
- ❖ Developing the training module for general nutrition education to be included in all training activities under sub-component 1.1 and integrate nutrition education in training on financial and business management (emphasising costs of healthy diets in household budgeting)
- ❖ Supporting ToT training and training of staff
- ❖ Review the integration of food health and safety issues in training on food processing, to be implemented under sub-component 1.1.
- ❖ Preparing a nutrition SBCC strategy for the project.

- ❖ Better identifying areas for policy-engagement on food security and nutrition also in consultation with Ministry of Agriculture, Ministry of Health and other agencies working on food security and nutrition (e.g. UNICEF).
- ❖ Supporting the baseline study and provide on-demand support during implementation.

Capacity development. ToT training on nutrition will be carried out to build the technical capacity of staff, mentors and facilitators.

Partnership. The project will establish partnership and collaborations with key institutions and actors in the country working on nutrition education and nutrition-sensitive agriculture.

Nutrition in ToR of service providers. The ToR of service providers will include the following criteria:
Sub-component 1.1.

- Presence of staff/consultant with nutrition expertise (including nutrition education)
- Experience in implementing nutrition interventions

Sub-component 1.2.

- Presence of staff/consultant with expertise in food quality and safety standards and experience with supporting nutrition-sensitive value-chain development programmes.

Summary of integration of mainstreaming themes in project's activities and costs of TA on gender, youth and nutrition mainstreaming

Women and youth targeted activities (see also GYAP and cost details in COSTAB)	• Women-targeted Food processing training (sub-component 1.1.) • Training on climate-resilient production including women (30%) and youth (30%). • Grants and business mentoring (30% youth and 60% women) • Youth and women targeted digital training (sub-component 1.1. and 1.2.) • Youth-targeted green Jobs generation (sub-component 1.1.) • Rural finance (Component 2), including attention and specific quota for women and youth (30 and 40 percent respectively). • Value-chain study integrating attention to all mainstreaming themes. • Employment generation in processing (sub-component 1.2.) expected to benefit mostly poor rural women. • 150 internship programmes under sub-component 1.2.
Nutrition-focused activities	• Training on basic nutrition education (integrated in all training activities under component 1) to build awareness of main nutrition problems and promote education on the benefits of healthy and diversified diets • Training on food quality and safety standards (integrated in all activities with micro-scale (sub-component 1.1.) and medium-scale processors (sub-component 1.2.) • Integration of nutrition lens in value-chain study to identify and support nutrition-sensitive value-chain development • Nutrition messaging and education (integrated in business mentoring and financial and business management training under

	components 1 and 2 addressing issues of household budgeting for healthy diets).
Targeting, gender, youth and nutrition in ToRs of staff and service-providers	The M&E officer in PMU will have responsibility for supervising implementation of targeting, gender, youth and nutrition strategy. ToRs of service providers for sub-component 1.1. will specify the following conditions: • Presence of dedicated staff with expertise in gender, social inclusion, youth and nutrition. • Capacity to implement GEWE, youth empowerment and nutrition-sensitive interventions. • Experience to engage in policy dialogue on GEWE. • Demonstrated capacity to use poverty-focused targeting criteria and systems in their interventions. • Capacity to collect and analyses disaggregated data on gender, age, poverty, vulnerability for accurate targeting, monitoring and reporting on targeting, gender and SI performance and conduct impact assessment. • Capacity to implement measures for GBV prevention and response • Capacity to deliver pro-poor services and interventions. Specific for sub-component 1.2. the service providers will have to demonstrate the following: • Presence of staff or hired consultants with expertise on: labour issues in agriculture; and nutrition, (also focusing on the regulatory framework for food quality and safety standards; and nutrition-sensitive value-chains)
TA gender/youth	USD 40.000
TA nutrition	USD 35.000
ToT gender/youth and nutrition	USD 25.000

3 DETAILED PROJECT DESCRIPTION AND IMPLEMENTATION MODALITIES

3.1 Component 1 – Resilient and inclusive value chain development

3.1.1 Sub-component 1.1 Microentrepreneurs production and processing

Activity 1.1.1 Climate resilient production

a) Capacity development for climate resilient crop production

Expected results

- The climate resilient crop production capacity building training program aims to reach a total 3,000 farmers in adoption low-cost agricultural practices adapted to water-scarce conditions.
- A total of 150 model plots and 250 training cycles (50 training cycle per year with some demo plots used for 2 training cycles per year based on crop type). Each training cycle will include 15 to 20 participants.
- 15 e-learning videos to provide refresher training on climate resilient production technologies, nutrition, food processing and other technologies
- Participants will be encouraged to attend more than one training cycle as this can be beneficial, especially when introducing new crops, technologies, or sustainable practices. Subsequent cycles reinforce previous learning, address new challenges, and adapt to environmental conditions. For instance, a farmer might participate in an initial cycle focusing on soil and nutrient management and a subsequent cycle emphasizing water conservation techniques. This explain why the number of target farmers is capped at 3000 as some might do two training cycles.
- This activity is linked to the output indicators 1.1.4 Persons trained in production practices and/or technologies
- This activity is linked to the outcome indicators Increase in crop value/unit of water and 1.2.3 Households reporting reduced water shortage vis-à-vis production needs and 3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices

Lesson learned

- The model farmers shall be selected based on poverty as well as on their commitment to learn and serve as an example for adoption of new practices. Having model farmers on the same economical level will encourage other farmers having the same resources as the model farmers to test new practices.
- Measuring and monitoring on each demo site cost, practices implemented, yield, income, water consumption, soil quality with farmers shall be done systematically. This data is a great source for learning and evidence on farmers cost and benefits, including adaptation benefits from adopting new practices.

Description of the activities

- This activity focus on the diffusion and adoption of *pro poor and so low-cost* water efficient, water saving practices as well as good agriculture practices for better soil and water management through adapted curriculum, on farm demonstration and monitoring.
- In addition, training curriculum will also include:

- a 2-days module on the preparation of grants and loans application
- a 3-days module on fundamental of production cost benefit analysis with focus on building simple farm budgets, maintaining accurate farm records, tracking performance over time, and evaluating the profitability of improved irrigation and agri practices considering climate and environmental challenges. Simple monitoring tools will be presented and handed over to participants.
- The activity builds on REGEF previous activities of mainstreaming climate resilience practices into crops training curriculum. It will enhance the curricula with the production of an enhanced *standalone* curricula focus on *pro poor and low-cost climate resilient practices for the selected crops and related learning tools*
- In comparison to the previous REGEF, this activity goes beyond the demonstration of standard agricultural practices but focuses on the testing, diffusion, and adoption of climate resilience practice for better soil and water management which can be replicated by poor smallholders.
- This activity has nationwide scope covering Jordan's three agroecological zones.
- The focus will be on irrigated crop for Horticulture (fruits, vegetables, dates); and Rainfed crops (Olives, citrus and other fruits trees) based on the initial crop selection established at design.
- The selection of these crops builds on the outcome of the previous REGEF experience and studies on economic assessment of best water productivity for crops, assessment from crops selection and identification of drought resistant tolerant vegetables.
- Participants and model farms plots will be selected within the REGEF clusters. Profile of participants are poor smallholders (below 5 dunum for irrigated and 10 dunum for rainfed). Model farms plots shall be located on participant farms field.
- The amount of model farms within each cluster will be done based on the prevalence of smallholders and in terms of cultivated area. Consequently, Balqa, Irbid, Amman, Karak and Mafrq are mostly to have the most model farms and training participants.

Governorates	Cultivated Area 2019 (Dunum)
Irbid	463,832
Amman	372,611
Karak	317,314
Mafrq	284,905
Balqa	179,888
Zarqa	133,830
Ma'an	130,263
Madaba	88,448
Jerash	77,849
Tafielah	67,074
Ajloun	51,131
Aqaba	45,703

The table below aims to provide guidance on overall estimated gain in water productivity under climate resilient agriculture practices for REGEF UP selected crops (source: World Bank, REGEF)

Initial Crop selection	Water Use (m3/dunum2)		Water Productivity (kg/m3)		Yield (kg/dunum)		Water Economic Return (\$/m3)		Producer Revenue (\$/kg)		Typical Source of Water
	Conv	Climate resilient	Conv	Climate resilient	Conv	Climate resilient	Conv	Climate resilient	Conv	Climate resilient	
Date Palm irrigated	500	1400	10	0.7	5000	200	4,0	5	0,4	7	Ground water/Surface water
Rain fed Olive Oil	300	400	0,6	0.8	300	400	0,6	1	1,0	1.2	Rainfed /Surface water
Rain fed fruits	700	500	1,2	1.6	900	1200	0,9	2	1,8	2.5	Surface /Rainfed
Vegetable greenhouse	500	300	10	40	5000	15000	4,0	20	0,40	0.5	Surface /Reclaimed

The below table provide guidance on the type of practices to be demonstrated for Irrigated crops

Location: Jordan Valley and part of the the highlands such as Mafraq and Azraq.				
Crop Type	Selection criteria	Climate adaptation Practices	Soil and Water Management Practices	Water-Saving Technologies
Greenhouse Vegetables (Tomato, Cucumber, Pepper)	Households with a maximum monthly income equivalent to the national poverty line plus 30/50%	Use of heat-tolerant local varieties, seasonal planting adjustment, shading using locally available materials.	Soil solarization with plastic sheets, composting kitchen waste, and raised beds for drainage. Soil moisture monitoring techniques Intercropping and crop rotation Fertilizer and pesticides application MLT testing Plastic waste management	Installation and management of simple drip irrigation either with inline emitters, moisture sensors, low-pressure fogging nozzles, automatic shutoff valves or Simple gravity-fed drip systems using recycled bottles or low-cost tubing, manual moisture checks.
Date Palms	Produce for local market or community	Application of organic mulch to reduce evaporation, scheduling irrigation during cooler hours.	Composting organic farm waste, using dry mulch, and basic soil salinity testing with portable kits. Plastic waste management	Bucket or hose-based basin irrigation, and use of shaded water storage tanks.

Fruit trees		Use of drought-tolerant local varieties, simple pruning techniques, and intercropping with legumes.	Application of mulch, compost pits near trees, and basic soil levelling to reduce runoff. Plastic waste management	Basic drip lines with timers, reused greywater for non-edible plants, and mulching
Pomegranate		Adjusting pruning and thinning times, and using low-cost pest monitoring tools like sticky traps.	Use of mulch, local manure application, and hand-dug basins around trees for better water infiltration.	Clay pot irrigation, manual drip from elevated bottles, and use of rain barrels for collection

The below table provide guidance on the type of practices to be demonstrated for rainfed crops

Location: Northern highlands, central highlands, Eastern karak and Tafileh highland				
Crop Type	Selection criteria	Climate-Resilient Practices	Soil and Water Management Practices	Water-Saving Technologies
Olive	Households with a maximum monthly income equivalent to the national poverty line plus 30/50%	Use of drought-tolerant and/or traditional local olive varieties, pruning to reduce canopy evaporation, and mulching under trees. IPM	Contour planting, stone bunds to reduce runoff, bounds, V-shape or half-moon, compost pits for organic waste, and soil cover with dry leaves.	Clay pot (olla) irrigation in dry spells, mulch to prevent evaporation, and rainwater harvesting in pits.
Citrus	10 dunums (1 ha) in irrigated areas) Produce for local market or community	Planting windbreaks using local species, scheduling light pruning during dry spells, and manual pest monitoring.	Shallow tillage post-rain, manure application near root zone, and mulch from orchard pruning's.	Hand-dug water catchments near trees, use of shaded water containers, and tree ring basins.
Almond	Above 300 mm annual rainfall	Selection of early-maturing, drought-resistant varieties, canopy shaping to reduce water loss, and pest control with traps.	Dry mulching, digging small basins around trees, and slope levelling to slow runoff.	Simple water catchment trenches, use of organic mulch, and small check dams to trap runoff.

Grape		Trellising with local materials, pruning for ventilation, and use of disease-resistant local cultivars.	Use of cover crops between rows, organic mulching, and post-harvest compost application.	Drip irrigation for supplemental, water harvesting ridges.
Fig		Spacing trees for airflow, pruning to manage stress, and adjusting planting time to maximize moisture use.	Minimal tillage, use of natural barriers to trap moisture, and application of composted manure.	Rain barrel collection from rooftops, plastic mulch to preserve moisture, and localized compost rings.

Implementation modalities

- A service provider will be competitively selected by JEDCO. NARC, MOA, Sparkassenstiftung, have been identified as potential partners suitable for such activities.
- The selected service provider will be responsible for:
 - Developing a pro poor and step by step curricula for the demonstration of climate-resilient practices (see above for suggested practices) in the different crops targeted by the project. This work will build on the partially developed curriculum under REGEP. The provider will also design interactive, hands-on learning tools tailored for farmers
 - Develop a training plan for the roll out of the sessions.
 - Identify, recruit and train facilitators on new curricula. Existing facilitators shall have prior experience in agricultural training and demonstration activities. Champions from the previous REGEP phase—who successfully adopted climate-resilient practices—will be identified and may be recruited to support facilitators and provide peer coaching to new participants.
 - Identify and selected participating beneficiary (600 per year) following project targeting criteria and within selected clusters
 - Identify the model plots from the selected farmer's field with the possibility of reactivating former REGEP demo plots.
 - Roll out trainings: Farmers will meet at least once every two weeks for 4 to 6 months at the model farm to learn and exchange knowledge under the guidance of a facilitator.
 - Each participant will be expected to replicate demonstrated practices on their own fields. Facilitators will regularly monitor these plots, using them as platforms for individual coaching and feedback.
 - A simple monitoring tool will be developed by the implementing partner in collaboration with JEDCO. This tool will aim to monitor the results from the model plots.
 - Model plots owner will be requested with the support of the facilitators to record yearly costs, yields, improvement in soil quality, water consumption and income. Findings will be shared regularly with farmers to reinforce learning and encourage adoption of promoted practices. This tool will also provide inputs for the digital monitoring system developed under subcomponent 1.1 and 1.2 for effective monitoring.

- The implementing partner will develop short e-learning modules (short few minute videos) complementing the physical training of the beneficiaries that can be accessed through youtube channels, social media (including whatsapp, Instagram) and engage youth in communities to expand outreach of the e-learning. The implementing partner will engage with the KM specialist in the PCMU to design the plan of activities for e-learning. Capacity building through e-learning will include climate-resilient agricultural practices, including low-cost water-saving techniques, nutrient management, organic farming, drought-tolerant cropping systems, protected agriculture, soil conservation and small-scale water harvesting.

The total cost for this activity is 585 000 USD

Item	Irrigated	Rain fed	Total
Number of model farms	75	75	150
Target Numbers of Farmers	1500	1500	3000
Number of training cycle	125	125	250
training cycle cost including inputs, equipment including mentors' per diem	1900	1900	475 000 USD
Implementing partners service for: Training plan, ToT, selection, mobilization, Enhanced curriculum and overall coordination, mentor fees	1	1	50 000 USD
Monitoring of climate benefits	1	1	15 000 USD
e-learning for microenterprises		15	45000
Total cost without contingency			585 000 USD

b) Pilot for organic and IPM for vegetable production

Expected results

- 40 farmers trained in organic farming.
- 5 functional organic demo sites.
- This activity is linked to the output indicators 1.1.4 Persons trained in production practices and/or technologies
- This activity is linked to the outcome indicators 3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices

Lesson learned

- Organic farming takes 3-5 years to build up the physical and nutritional health of soils leading to higher yields. Organic/agroecological farming is more demanding in knowledge, skills and experimental learning which takes time for farmers to acquire. Organic model fields are currently

less profitable but also require less input/operation costs. This makes the organic model more accessible for poorer small-scale farmers with profitability expected to increase as soil recovers and farmers improve their organic/agroecological farming skills. Implementing partners supporting implementation shall support farmers in yield monitoring to demonstrate positive effect and extend support to 3 years minimum to allow full benefit of organic farming to be translated into results.

Description of the activity

- This activity builds on REGEP's previous experience in implementing greenhouse demonstration sites and delivering training on organic farming, including Integrated Pest Management (IPM) which have shown good adoption rates.
- The objective of this activity is not organic certification but the adoption of organic practices through low cost technologies.
- 40 farmers will be selected for participation based on poverty criteria. Priority will be given to those who already own a greenhouse, are willing to adopt improved organic practices, and commit to sharing knowledge with other farmers.
- These participants will receive a 5 to 6 months training session over two crop cycles as least,
- 5 demo sites will be established (some from the previous REGEP phase if possible)
- Participants will be distributed a small starter package to implement organic practices on their own farms
- Participants will benefit from field visits and regular follow by facilitator continuous technical support and periodic follow-up visits to reinforce adoption.

Implementation modalities

- A qualified service provider will be engaged to:
 - develop a training program tailored to poor farmers for organic/agroecological practices. This curriculum may be further enhanced with visual aids, signage, participatory learning tools, and peer-learning visits to other practicing organic farms.
 - Recruit facilitators and train them
 - Select and identify model sites: Under the previous REGEP phase, a total of eight greenhouse demonstration plots were established to showcase organic vegetable production and IPM techniques. These greenhouses are currently managed by well-established Community-Based Organizations (CBOs), which played a key role in maintaining demonstration quality. The PCMU will identify the CBOs that have continued applying organic practices following REGEP's initial investment and are willing to act demonstration farm
 - Roll out the demonstration activities: The trainings will be delivered independently from the broader climate-resilient practice demonstrations under activity 1.1.1.. It is suggested to have one demonstration cycle per season per model sites and to invite farmers on more than one demonstration cycle as results from organic practices take more time.
 - Mentoring: Each participant will be given an organic starting package (including seeds, bio fertilizer, mulch etc.) to start implementing practices as per in the model farms and receive regular visit from mentors for at least 2 years.
 - Monitoring: monitoring key indicators on both the greenhouse demonstration sites and participants' individual farms. These indicators will include crop yield, pest incidence, input

costs, labor requirements, and water use. Where possible, results will be compared with conventional (non-organic) plots to assess the cost-benefit and effectiveness of organic and IPM practices.

- Some actors which have experience in organic farm practices and demo sites, which may be call upon include Royal Society for the Conservation of Nature (RSCN), Jordan University of Science and Technology, UN habitat, or NARC.

Summary table for organic pilot

Item	
Locations	Previous pilot sites from REGEP
Target type	Poor Individual smallholder farmers
Target number of farmers	40
Equipment cost per unit for existing demo (USD)	500 x 5
Individual starting package	300
Total equipment cost (USD)	17 000
Additional costs for preparation, demo execution, follow up visits and peer-learning (USD)	23,000
Training Sessions	20
Total cost (USD)	40,000

Activity 1.1.2. Capacity development for food processing and nutrition

Expected results. The food processing school is expected to benefit 2500 poor and vulnerable women and girls that will be selected in consultation with different stakeholders (local service-providers, NAF, local authorities) and in partnership with existing Women's Associations. Approximately 50 facilitators will be hired and trained to develop the skills to train the women beneficiaries through a highly participatory and learning by doing methodology.

Lessons learned. Food processing schools are a popular concept in Jordan. REGEP has supported women in establishing a home-based food processing business, with the objective to provide them with an autonomous income stream, while at the same time also contributing to value the local food culture and boost the production of healthy food. Women-processed food are typically sold in local markets, including to neighbours, local restaurants and small-scale retailers. Fairs and events will also organized to promote women's products and link them to new clients and buyers.

HBB owners who are considered a key area of growth are women working in food production from their homes. Research (USAID 2016) has shown that the majority of women owners are between 25-50 years of age and have the willingness to grow. In most cases, the owners' home-based business is their only source of income and food production is their only skill. However, they face a lot of challenges, especially in terms of access to machineries and equipment, business registration, market diversification and marketing strategies.

Implementation modality. The process to set up a food processing school, involves the following steps:

STEP 1	Initial assessment and information campaign
	During the initial stage, the service providers will inform local stakeholders about the school approach, format and objectives. They will also assess existing needs and potential products to be developed, including in terms of market demand, local competitiveness and existing market channels.
STEP 2	Beneficiary selection
	The beneficiary selection follows REGEF-UP approach to targeting and selection of beneficiary. Women, women on the NAF list, women headed households, female refugees and young girls are prioritized during the selection. Women's associations are also a key target under this component.
STEP 3	Group formation and establishment of school site.
	Once, the selection of beneficiaries is completed, the service provider will select the school location (typically hosted by a CBOs and Women's Association) making sure the space can be transformed into a demo-kitchen.
STEP 4	Running the school
	Women attend the school once a week for about 3 to 4 months. Facilitators guide the school activities, through a learning by doing approach.
STEP 5	School assessment
	Feedback are solicited on a regular basis to assess the quality of the service.

This training aims at building HBB capacity and skills in food safety standards, product development, artisanal production, packaging, and marketing solutions in order to link them with profitable markets and be able to meet the market demand and as a result grow their business and increase their income.

The training curriculum for facilitators includes the following elements:

- ❖ Recipe elaboration and identification of products for processing, making sure women provide their ideas and inputs to these processes.
- ❖ Standards for HACCP and Good Manufacturing Practices as well as Good Hygiene Practices
- ❖ Animation of the cooking sessions
- ❖ Good practices in processing and packaging
- ❖ Labelling
- ❖ Waste management and recycling.
- ❖ Economic principles for business and financial management, pricing and marketing.
- ❖ Marketing strategies, including through the use of digital technologies and social media marketing.
- ❖ Potential market linkages (also based on a preliminary assessment)
- ❖ Business registration and licensing.
- ❖ Nutrition education and healthy food cooking sessions.
- ❖ Gender principles and gender norm dialogue sessions.

The session on food processing standards as well as those on women home-based food processors registration and licensing as well as of home-based businesses should also include institutional representatives such as the Jordan Food and Drug Administration, the Jordan Standards and Metrology Organization and Ministry of Health. More specifically the training on safety standards for processing and packaging will include the following topics:

List of topics
Standard Specification for Aromatic Plants
Standard Specification for Jams
Standard Specification for Grapes Growing

Manufacturing Pickles According to The Jordanian Technical Standard - Vegetables and Fruits - Pickles No. 2008/73.
Packaging Training for Processed Products (Food Processing Products)
Introduction to Packaging Technology
Packaging as a Market Tool
Packaging Labeling Regulations
Methodology for Choosing the Appropriate Packaging.
Packaging materials, recycling and waste management.

Costs: USD 238.000

Main risk and mitigation: The main risk about Activity 1.1.1 and 1.1.2 is that beneficiary's identification and mobilisation of more vulnerable farmers and women in project's activities might take time due to limited number of people responding to targeting criteria and which haven't received services from other projects. To mitigate this risk, REGEF UP may tap into previous REGEF beneficiaries to consolidate their knowledge while expending to new areas.

Activity 1.1.3 Grants for production and processing

Expected results

A total of approximately 1040 grants will be awarded, with each grant valued at a maximum of USD 5,000. Grants will be tailored to the specific needs of applicants, with beneficiaries contributing 5% of the total investment cost. The total grant envelope is set at USD 5 200 000.

Lesson Learned

The previous REGEF's eligibility criteria and grant selection did not require information regarding water consumption, cost, and water saved by project interventions. Only in the selection criteria for water harvesting systems applicant's landholding size is required to not exceed 10 dunums (30 dunum in Valley and Mafrq).

Consequently, the grant applicants have requested funds for water rehabilitation without providing information on the volume of water targeted (either collected in the ponds or moved through the irrigation systems) correlated to the needed use, as this was not a mandatory requirement. The lack of such information may lead to less effective fund disbursement, which should prioritize farmers with high water costs and extensive fields.

To ensure the inclusion of beneficiaries facing greater environmental challenges in future projects, it is recommended to incorporate two additional evaluation criteria in the grant application process:

- For the rehabilitation of rainwater harvesting (RWH) ponds, applicants should provide an estimate of their pond capacity (in cubic meters) and field size (in dunums). Priority should be given to beneficiaries with higher land-to-water availability ratios.

- For the rehabilitation of deteriorated irrigation water networks, applicants should indicate whether they incur monthly costs for purchasing water, specify the cost per cubic meter, and report their field size (in dunums). Priority should be given to beneficiaries with higher land-to-water cost ratios.
- Finally, to enhance the monitoring of the economic benefits of water system interventions, it is recommended that implementing agencies in the region collect data on water costs and usage from each new agricultural beneficiary and incorporate this information into their existing databases. Providing technical training, especially on designing, operation and maintenance are as important as the initial financial grants. These support systems enhance the effectiveness and sustainability of water-efficient interventions.

Description of the activity

1. The project will establish a dedicated grant facility window to partially finance small-scale investments aimed at improving the operations of farmers, women's associations, and household-level agro-processors.
2. These grants will support a portion of the beneficiaries trained under activity 1.1.1 and 1.1.2 to upgrade key aspects of their production and processing activities, thereby enhancing efficiency, product quality, and market readiness.
The facility will offer two grant windows:
 - i) Grants for small-scale processing equipment and facility upgrades
 - ii) Grants for water efficiency improvements at the farm level, aimed at reducing water pressure and enhancing water resource management.
1. It is proposed that 60% of the grants support water efficiency interventions and 40% support processing-related investments.
2. Proposal will be reviewed based on the quality of the business plan (for processing) and water efficiency for production needs (for Water)
3. The general eligibility criteria for grant recipients include:
 - i) Completion of relevant training under the project on production or processing
 - ii) Completion of the basic budgeting and financing training and preparation of the business proposal for grant application.
 - ii) A minimum of 460% of grants will be allocated to women and 30% to youth (the 40% grants for food processing are entirely targeted at women; a minimum of 20% of grants for water efficient interventions should be women-targeted)
 - ii) Grant applications will be submitted and awarded on an individual basis

Implementation modality

1. The activity will be implemented through selected implementing partners hired by the project which will monitor the overall process. Terms of Reference for the grant process will be developed by the REGEF UP PCMU, with support from IFAD. Depending on the delivery approach, multiple service providers may be required—for selection, implementation, monitoring, and closure of the grant process.
2. A total implementation budget of USD 452,000 has been allocated for the whole grant delivery process and the follow-up services to be provided by the selected implementing partners. This does not include the digital monitoring system which will be developed by a separate service provider but used by the grant implementing partners for subcomponent 1.1 and 1.2 (details included after subcomponent 1.2)

3. The selected service provider in collaboration with the selected service provide for activity 1.1.1. will organise sensitisation campaigns among the participants of activity 1.1.1 to encourage applications.
4. Potential grantees will fill application forms made available by PCMU through implementing partner.
5. Potential grantees will be provided with dedicated support through activity 1.1.1 curriculum to assist with the participant with application
6. Implementing partner through a technical committee will review the feasibility as well as eligibility of the application and award grants awarding to best proposal.
7. Grants will be disbursed directly to beneficiaries in 2–3 tranches, based on milestones defined in each approved grant proposal.
8. Beneficiaries will then be responsible for executing the construction or equipment installation themselves or by contracting external service providers with the support of an implementing partner (see below for more details)
9. A digital monitoring system will be developed under the project to support effective tracking of beneficiaries and implementation of grants. The implementing partner hired for the grants selection and management will be required to support regular inputs of data to the system.

A) Specificity for the Grant for water efficiency

- Building on the experience of REGEP, grants for water efficiency will support eligible farmers and best proposals in acquiring or improving on-farm water-efficient system including rainwater-harvesting infrastructure.
- To support JEDCO and the grant delivery partners in assessing the cost-effectiveness and appropriateness of available technologies, a study will be commissioned to identify context-specific and best adapted technology packages for REGEP targeted areas and beneficiaries, associated costs, and list of suppliers. Research institutes like ICARDA or IWMI could support in this task.
- Based on the study, eligible investments may include:
 - Household rainwater harvesting small infrastructure (below 200 m³)
 - Small reinforced concrete cisterns
 - Small rehabilitation of existing pond
 - Mulching material
 - Soil moisture sensors
 - Mobile sole pump kit
 - Water flow meters
 - Drip irrigation system
 - Small-scale water retention or contouring structures
 - Water-saving irrigation systems (e.g., drip, low-pressure systems)
 - Small greenhouse units below 50 m²
 - Rehabilitation of small ponds
- These grants will cover water efficient infrastructures and related equipment only—not the inputs such as fertilizers or pesticides.
- Selection of grantees will be informed by lessons from REGEP, grants will be provided to farmers prioritizing high water productivity and/or low water consumption crops. An initial selection form for the technical committee is suggested below based on which the grant applicant form should be developed

- With the support of specialized service provider (e.g. - NARC, INWRDAM, JRF, Sparkassenstiftung), once selected, all grant recipients will receive tailored technical assistance before and after installation. This support will cover system design, work supervision, operation, and maintenance support for a minimum of one year.
- Beneficiaries will be responsible for implementing works directly or through contracted local construction companies. Supervision of the works will be done by the beneficiaries with the implementing partner
- A separate designated service provider—will be responsible for monitoring and measuring the reduction in irrigation water use and/or the volume of rainwater captured. This data, with support from the grantees, will be used to evaluate the economic benefits and increase in water productivity of the interventions and contribute to assessing the project's impact on water management and productivity.
- Grants for water efficient technologies Assessment forms

#	ITEM	Non-conforming	conformity
0	The proposal does not include or support any activities listed under IFAD and REGEP UP or IFAD exclusion list (see annex of ESMP)		
1.	Applicant is from one of the targeted Governorates and cultivate the selected crops		
2.	Applicant's landholding size does not exceed 10 dunums for rain feed and 5 dunun for irrigated.		
	Applicant proposal is with result in an expansion of irrigated land		
3.	Applicants proposal is feasible and adapted to the agroecological zone and rainfall patterns		
4.	Applicants is converting its current water system to a more efficient one		
	Applicants requested asset will use rainwater or recycled water		
5.	Applicants <u>current</u> Water Use in m3/dunum and kg/m3 and Water cost JOD/m3.		
6.	Applicants <u>planned</u> Water Use in m3/dunum and kg/m3 and Water cost JOD/m3 <u>after grant assets installed</u>		
7.	Applicants water volume targeted through the new system m3		
8.	Applicant currently use only surface or municipal water for irrigation for land holding size is providing he/she presents supporting documents that prove that the source of the of water is municipal water		
9.	Applicant use groundwater and want to fully replace groundwater use with RWH or surface water		

10.	The grant application is for household rainwater harvesting tank (below 100m3)		
11.	The grant application is for other water efficient irrigation systems (drip irrigation, micro-spray, but not sprinklers and not aquaponic).		
12.	Neither Applicant nor Applicant's family member (i.e., members of the same family records) has received a REGEF grant for the same during the previous phase of the project		
13.	Neither Applicant nor Applicant's family member (i.e., members of the same family records) has received any other type of REGEF UP grant		
14.	Applicant has participated in REGEF production capacity building program		
15.	Applicant is not a current or former business mentor		
16.	Planned period of putting in place the project is not less than one month and does not exceed eight months		
17.	Application is signed by the applicant for the grant (sign the site's pledge at the end of the request)		
18.	the application fully filled		
19.	Not to make any amendment or delisting on the application		
20.	The applicant's commitment to the contribution percentage.		
21.	provide the needed supporting documents		

B) Specificity for the Grants for processing

This grant window is earmarked to poor and vulnerable women and girls, with priority given to most vulnerable and unemployed categories. Grant funds will be used to purchase:

- Processing machineries (e.g. refrigerators, juicers, vacuum machines etc.)
- Row materials
- Utensils and Furniture to transform the kitchen in a workspace.

Eligibility conditions are detailed in the targeting criteria. Women and girls can participate through different modalities, including by forming small groups of 2 or 3 peers. Women's associations with outreach to poor members, will also be prioritised.

Main risk and mitigation for activity 1.1.3. There is a risk that the small grants provided for water-efficient technologies and processing machinery may not lead to the intended improvements in livelihoods or water use efficiency due to a mismatch between the technology delivered and the beneficiaries' technical, financial, or operational capacity to use and maintain it effectively. Technology transfers have failed when recipients lacked the necessary training, or support services. Beneficiaries in poor and rural areas may struggle with upkeep costs, repair logistics, or operational complexity of the equipment. In that sense REGEF grant delivery will go hand in hand with technical support and follow-up, visit to ensure there is underutilization, abandonment, or misuse of the provided technologies.

Activity 1.1.4 Business mentoring

Expected Results. This activity aims at supporting the implementation of business proposals developed by beneficiaries of technical training in climate resilient production and food processing. The activity will contribute to create viable and sustainable micro business ventures, benefitting 1000 people.

Lessons learned. Business mentoring schemes implemented under REGEP were assessed as successful. An impact study carried out by Jordan River Foundation (JRF) shows that micro-businesses supported through the mentoring process have generated a sustainable income stream, especially for women, thus contributing to their economic empowerment. Impact on employment generation and broader socio-economic development was also notable. It is estimated that more than 60% of these businesses have generated employment for 1 to 5 people. Yet, it was recommended to increase the number of visits and enhance the capacity of mentors to deliver well-tailored business advice.

Description of the activity. Mentorship is a service provided by the contracted service providers to guide and support beneficiaries throughout the business development process. This is an intensive, individualised and systematic interaction with beneficiaries, which is expected to enhance the sustainability and profitability of business ventures.

Mentorship schemes are also the best approaches to use when targeting poorer and more vulnerable population groups, as these people might need more individualised support to enhance their capacity to manage their livelihoods. When gender and nutrition issues are mainstreamed in mentorship schemes, this contributes to enhance mindset and behavioural changes among target households, thus leading to the adoption of more equitable gender norms and practices within the household as well as healthier nutrition habits. This is because mentorship creates trustful interactions and safe spaces, where people can openly raise their personal and family issues and concerns and obtain personalised advices.

The mentorship scheme aims at supporting grant beneficiaries in implementing their micro business proposals to ensure they are profitable and sustainable. Mentors will reinforce the knowledge that was previously acquired during the technical and business training while also providing hands on support to address the challenges that the beneficiaries might face in turning their business proposals “from theory to practice”.

Implementation modality. Scheme activities will last 6 months and will be followed by a 3 month follow up period to reinforce business sustainability. A team of gender balanced business mentors will be hired and trained by the implementing partners to provide tailored support to **1000 micro-business projects accounting for approximately 1700 people**. It is established that 1 mentor will provide business coaching to approximately 10 business projects. Therefore, the project will form a cadre of 92 mentors. The most critical topics that will be covered during the process include: business management, book-keeping, cash flow analysis, marketing and e-commerce. Messaging on gender and nutrition will also be reinforced during the process.

The scheme is structured along the following phases:

PHASE 1	Establishing the mentoring system and module
	During the initial phase, at early implementation, the PCMU, in partnership with the selected service-provider will further develop and agree on the mentorship process, training curriculum and overall methodology.
PHASE 2	Selecting and training a cadre of rural mentors

	A cadre of 100 mentors is selected and hired. Mentors receives a ToT training program to enable them to conduct structured and effective mentoring/coaching sessions.
PHASE 3	Scheme implementation
	The mentorship scheme spans across 6 months. 5 visits are carried out (approximately 1 per month) to individual or group-based businesses to provide tailored support and advices. Each visit should last for approximately 3 hours. Regular interaction and support is granted via WhatsApp.
PHASE 4	Follow-up support
	During the 3 months following the core mentorship, mentors continue to be in touch with beneficiaries and advise them via WhatsApp. A follow up visit is also carried out to assess business performance and sustainability.
PHASE 5	Performance evaluation
	Mentors are regularly evaluated, and feedback are solicited among beneficiaries to improve the quality of the services and overall performance

Below is a full description of the different phases.

PHASE 1. Establishing the mentoring system and module

During this initial stage, the contracted service provider will consult with JEDCO staff to finetune and finalize the programme proposal and develop the module for the ToT training as well as for the mentorship scheme.

PHASE 2. Selecting and training a cadre of rural mentors

Under this phase a cadre of 100 mentors is selected and hired. Mentors receives a ToT training program to enable them to conduct structured and effective mentoring/coaching sessions. 3 specific activities are included under this phase: i) the call for application; ii) mentors selection and appointment; iii) ToT training.

- i. **A call for application** to identify local practitioners, is prepared and advertised through CBOs, the National Agricultural Research Center (NARC), the Ministry of Agriculture through the Directorates of Agriculture, social media platforms and referrals. Interested mentors are assessed using pre-defined criteria. Priority will be given to the existing cadre of rural mentors, who have already been trained under the previous operations. Priority should also be given to people with a background in agriculture and business development and to women and girls.
- ii. **Mentors selection and appointment.** Once the 100 beneficiaries are selected, the service provider assigns mentors to act as focal points and coaches for the project beneficiaries throughout the project duration. The mentor plays a crucial role in ensuring that the learning and success achieved by the beneficiaries is effective and focused on their business ideas. Priority will be given to already existing (and well-performing) mentors.
- iii. **ToT training.** The training follows the selection and assignment process. This include sessions around the structure of the mentoring sessions, adult learning strategies designed to have the buy-in and motivation of mentees and the grants management. More specifically the training will last 4 days covering 4 thematic domains:

A. Principles and approaches of successful mentorship

- Basics, approaches and principles for successful Mentorship
- Effective Management of Mentoring Sessions, including understanding and dealing with challenging behaviours of mentees through adequate communication skills
- Field case studies and practical exercises

B. Technical focus

- Technical agriculture business mentorship focusing on the technical and financial aspects of farm business management.
- Technical food processing business mentorship focusing on the technical and financial aspects of food processing business management.
- Marketing issues and marketing support also through the use of digital technologies
- Business registration.
- Health and safety standards.

C. Crosscutting themes

- Gender and nutrition issues, including building awareness of the negative norms and practices influencing gender imbalances in budgeting, decision-making and workload; and the unhealthy food practices leading to poor nutrition.
- Key messaging and SBC communication on gender and nutrition.

D. Mentorship procedures.

- This includes information on relevant procedures including reporting and documentation for grant closure.

PHASE 3. Scheme implementation

During the three mentorship visits to grant recipients, mentors focus on the following tasks:

Initial Visit:

- Verify the land or location of the grant to ensure it complies with the project's requirements. It is important to make sure that the kitchen is well organised to become a clear and safe workspace, and the mentor should make sure that the beneficiary takes all the necessary measures to make sure that
- Review and revise the grant budget with beneficiaries, making sure they fully understand the costs of the project and the return on investments.
- Provide technical advice related to the grant, such as guidance on crop selection and/or best processing practice. These might include detailed advices on the list of materials to purchase and where to buy them.
- Messaging on nutrition. The mentor should also advice on the pathway to embrace healthy nutrition habits, by reminding people about the importance to access a healthy and diversified diet to mitigate risks of obesity, micronutrient deficiencies and diabetes, which are widespread in the country.
- Messaging on gender. The mentor should remind grant beneficiary of the importance that women participate in household budgeting decisions alongside men. He/she should also stress the importance that women and men help each other and share workload, information and benefits. Mentors should emphasise the importance of jointness in a family.

Second and third Visit:

- Ensure that the work is proceeding according to the agreed plan and budget and that all the recommendations have been carefully considered and implemented.
- Discuss the problems and challenges that grant beneficiary might face in an open and safe conversation, also ensuring that all critical topics are covered, including financial and business management, health and safety procedures in food processing and conservation, marketing, labour issues, etc.
- Key messages on nutrition and gender is addressed during the conversation.
- Address and report any challenges or notable successes encountered during grant implementation and follow up via WhatsApp to ensure the proposed advice are well understood and embraced.

Closing Visit:

- Collect necessary financial documents, ensuring alignment with the grant closure procedures specified by REGEP.
- Complete and submit the closure report.
- Discuss with beneficiaries their willingness to license or register their projects and how to do it.
- Inform the beneficiary about the additional support that the project can provide on marketing, peer learning and exchange of good practices.

Following each visit, mentors submit hard copies of visit reports, which include minutes of meeting forms approved by the Jordan Enterprise Development Corporation (JEDCO). These forms are signed by the beneficiaries visited (including the number of attendees) and detail the discussions held and the actions agreed upon during the visit with regard to all the issues

PHASE 4: Follow up support

During the 3 months following the core mentorship, mentors will continue to be in touch with beneficiaries and advise them via WhatsApp. A follow up visit is also carried out to assess business performance and sustainability. This follow up visit is intended to provide long term support to the new business ventures in view of enhancing their sustainability and scalability.

Problems encountered and actions taken to face those challenges will be discussed. At the end of the follow up period, the mentor will provide a final report, that assess the performance of the business, identify challenges and provide recommendations for future directions. This will allow the service provider and JEDCO to identify most common challenges to business sustainability as well as existing strengths and best practice. Best performing businesses will be selected to participate in public fairs and events and to become role models among their peers. Gender and nutrition issues raised during the process will also be discussed and reported.

PHASE 5. Performance assessment

Mentors are regularly evaluated, and feedback are solicited among beneficiaries to improve the quality of the services and overall performance. To measure the satisfaction of beneficiaries with mentorship service, beneficiaries will be asked if they have been assigned a mentor to provide guidance for their project and whether they know the mentor's name. They will be also be asked about the usefulness of the mentoring, particularly in terms of technical support and guidance. Beneficiary can use different channels to provide voluntary feedback on the mentorship scheme, in line with the programme approach to soliciting feedback.

This information is essential for the programme in determining whether to continue working with the same mentors in future activities.

Costs

Costs of the scheme (USD)	215.000
Cost of Tot training (USD)	30.000
Overall coordination (USD)	25.000
Total cost (USD)	270.000

Activity 1.1.5: Support to marketing.

Expected results. This activity will contribute to enhance the capacity of micro-enterprises, especially women and youth, to access more diversified and lucrative markets. This will be done by engaging with different aggregators and value-chain operators as well as by training 500 youth and women beneficiaries on digital marketing.

Lessons learned. Under REGEP, women in grant-supported businesses have strengthened their agency and enhanced their social standing in their communities and broader rural economies. However, based on the findings of the project's impact assessment, JRF recommends expanding gender-focused entrepreneurship models, to further upgrade women-led businesses. According to USAID (2016) despite showing steady growth over the past few years and contributing a total of JOD 50 million to the national economy directly and indirectly, home-based businesses (HBB) still face major organizational problems and suffer from a number of gaps and inefficiencies that hinder their growth. This prevents them from trading with other businesses and diversifying their markets, which limits their end market to family and friends, and causes them to operate informally and remain in the same income bracket. As for management and marketing, HBB owners usually rely heavily on word of mouth to promote their product(s). They do not have the capabilities or resources to market on a more professional level.

Description of the activity. Micro entrepreneurs, especially women and youth will be supported to enhance their access to more profitable and diversified markets, through the implementation of different activities. The main target group for this intervention will be youth and women-run micro-businesses including beneficiaries of REGEP I and II.

Two main activities are envisaged:

i) **Training on digital marketing including social media marketing.** Under this activity a team of specialised digital trainers will train approximately 500 women and youth with capacity to expand their businesses through the use of digital technologies.

li) **Support to business registration and licensing and linkages to local aggregators** to enable business growth. As part of this activity, the project will identify and leverage existing opportunities for product aggregation and linkages to larger scale retailers and buyers, that will be engaged by the service-providers. These activities will be specifically targeted at those businesses with potential to grow and that need support to unlock their potentials. Beneficiaries of phases I and II of the Project will also be targeted.

Market fairs and bazars, that will be organised under Activity 1.1.6. will also contribute to attract new commercial partners.

Implementation modality. With regard to digital training, it is important that the 500 youth and women to be trained as selected during the implementation of the business mentoring and among the lists of beneficiaries for REGEP I and II. Certified digital trainers should be selected based on a competitive process. The location of the training will be selected in consultation with community-based associations.

The engagement with aggregators should be carried out by the local service-providers in consultation with relevant stakeholders. It is envisaged that approximately 6 business entities will be involved in this activity. Consultation activities should be carried out to assess the needs of both buyers and producers to develop viable supply chain arrangements. This will require additional technical support to help women register their business in collaboration with relevant local institutions; standardize product packaging, according to existing requirements; ensure fair contractual agreements and support the logistics of the operations.

Costs

Aggregation and marketing	USD 50.000
Training on digital marketing	USD 80.000
Total cost	USD 130.000

Activity 1.1.6. Peer learning, fairs and events

Expected results. The project will support the formation of a peer-learning structure, by organising exchange visits, fairs and learning events, especially targeted at women and youth entrepreneurs. This is expected to disseminate good practices and innovations in business development as well as to create a cadre of rural mentors and role models. . Market fairs are expected to attract new buyers and commercial partners.

Lessons learned. Implementation of REGEP 1 and 2, has contributed to foster micro-entrepreneurship among women and youth. However, service providers remarked the need to promote the dissemination of good practices among women and youth producers.

Description of the activity. Learning events and exchange will be organised on a quarterly basis . These activities will include: learning routes, competitions and training sessions delivered by successful women and youth entrepreneurs. These initiatives will contribute to disseminate good practices and innovations in business development as well as to create a cadre of women and youth rural mentors and role models . These women's networks, are also expected to strengthen women's leadership and enhance their visibility and social standing in the public space. . Marketing fairs will also be organised to promote women's products and attract new buyers.

Implementation modality.

STEP 1	Identifying women and youth champions and roles models
	This consists in selecting those women and youth who demonstrate to have higher entrepreneurial skills and capacity to innovate. It is also important to ensure that poor women and girls are prioritised in the selection process.
STEP 2	Preparing an annual peer-learning plan
	This consists in preparing a plan for peer learning activities, including training sessions, learning routes and competitions as well as participation in local fairs and public events. The plan should include 4 events per year and a feasible budget
STEP 3	Scheme implementation
	This follows the peer learning plan.
STEP 4	Final ceremony and awards
	During the peer learning process, new women champions and innovators will be identified. A closing event, to award most successful women and youth entrepreneurs is organised to further strengthen and expand the existing team of women and youth role models.
STEP 5	Feedback
	Feedback are solicited to assess the quality of service-delivery and beneficiary satisfaction with this activity.

Costs: USD 170.000

Activity 1.1.7 Green Jobs

Expected Results

- 40 groups of youth and women will be capacitated to offer harvesting services, and installation and maintenance of irrigation and other equipment. Each group will employ 3 additional people.
- 120 green jobs created for youth and women, including refugees.
- Improved and efficient use of water saving technologies (WST) through better back-up service.
- Improved yields and reduced post-harvest losses from better orchard maintenance and harvesting services.

Lessons Learned

There is scope for creation of jobs for non-land-owning youths and women in the agricultural value chain by providing services to agricultural producers and landowners. Targeting interventions that do not depend on land, such as food processing, led to higher involvement of youth and women, including Syrian refugees, in project activities. In addition, there equipping households with olive harvesting machines and plastic crates improved yield and reduced post-harvest loss of olives.

Poor installation and maintenance of improved irrigation systems, greenhouses and hydroponic systems reduce the effectiveness of these technologies in improving water efficiency. The lack of pre- and post-installation support from water saving technologies (WST) suppliers and extension services limits the effectiveness of these technologies. Without adequate guidance, many farmers struggle to integrate them into their farming practices, preventing full utilization. Therefore, aligning farmers' knowledge, attitudes, and practices (KAP) with water conservation goals is essential for the successful adoption of WSTs¹.

Description of Activity

Opportunities especially for youths and women in the agricultural value chain will be promoted through business incubation and acceleration green jobs creation. Business is mainly in the form of support services to farmers undertaking resilient agricultural production and processing activities. These opportunities include:

Tillage, harvesting and tree maintenance services by youth groups. An example is the improved olive harvesting machines and use plastic boxes instead of plastic bags. Youth can go further to offer tree maintenance and pruning services. Interested youths will be trained by institutes like NARC and offered matching grants not exceeding USD 5,000 for equipment.

Maintenance and repairs to irrigation equipment, greenhouses and solar equipment. Youth will be trained by equipment service providers, specialized government institutions or technical colleges. One of the major impediments to improving water use efficiency is improper installation and lack of maintenance of irrigation infrastructure and greenhouses.

Implementation Modalities

The following steps will be taken in selecting youths and women to be engaged in the green jobs.

- Advertise for interested youths and women groups to be engaged as service providers in crop/orchard maintenance and harvesting, and in installation, maintenance and repair of irrigation equipment. Target groups to include Syrian refugees and other non-land-owning individuals.
- Select youths that are <30 years, have qualifications in agriculture or other mechanical skills, live in the locality, show flair in business management, etc.
- Selected youths are prepared to run the businesses through training and coaching in group cohesion and dynamics, governance, business and financial management. The training and coaching will continue for a year after initiating their businesses. Coaching and training will be offered by institutions like the JRF and JEPCO.
- Training in crop maintenance, harvesting for common orchard crops such as olives, almonds and palm dates, and other plantation crops. Specialist agricultural institutions like NARC, and equipment manufacturers identified by the project will offer the training.
- A second group of young people with mechanical inclination, will be coached and trained in installation, and maintenance of irrigation equipment, greenhouses and hydroponic systems. Training will be offered by NARC and suppliers of various equipment. Further, they will receive on-the-job training and coaching from equipment manufacturers and installers.
- During coaching and training, the selected youths will be assessed for business aptitude and those qualifying will be given access to grants to purchase their tools of trade, PEPs and start-up consumables. Grants will be for up to USD5,000 and they will be required to raise matching capital amounting to 5% of amount borrowed. Disbursements will be to equipment suppliers and not cash to individuals.
- Post-training and grant disbursement, selected candidates will be further trained in occupational safety and health by a designated institution.
- Grant recipients will be assisted by professional marketing firms to create their business profiles, highlighting the type of service they offer. These profiles will be disseminated digitally to farmers and potential customers. Further, they will be linked to equipment suppliers to act as local agents and installers.

- A business development service (BDS) provider will continue to monitor the grant recipients and provide further coaching and guidance. The BDS provider will hold periodic review and strategy meetings with the grant recipients and offer further guidance.

Activity/Item	Unit	2026	2027	2028	2029	2030	2031	Total Units	Unit cost	Total cost
Harvesting/crop maintenance services	lumpsum		5	15	15	5		20	5,000	100,000
Repairs & maintenance of irrigation systems, greenhouses, etc.	lumpsum		3	8	7	2		20	5,000	100,000
Training and coaching by BDS	lumpsum		1	4	4	1		10	2,500	25,000
Total										225,000

Phasing and implementation plan for subcomponent 1.1

Activity/task	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
Activity 1.1. – Climate resilient production							
Capacity development for resilient crop production							
Recruitment of the service provider							
Development of the pro poor step by step curricula							
Recruitment and training of facilitators							
Identification and selection of beneficiaries (600 per year)							
Selection of the demo farms							
Roll out of the training session (50 per year)							
Monitoring of benefices							
e-learning for microentrepreneurs		5	5	5			
Pilots for organic vegetable production							
Recruitment of the service provider							
curricula Development by service provider							
Recruitment and training of facilitators							
Identification and selection of beneficiaries							
Selection of the demo sites, if possible, from previous REGEP organic sites							
Roll out of the training sessions in the demo sites							
Distribution of the starting packages to participants							
Testing of practices in participants field							
Monitoring of benefices							
Activity 1.1.2. Capacity development for food processing and nutrition							

Activity/task	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
Recruitment of service-providers							
Curricula development by service provider							
Recruitment and training of facilitators							
Identification of beneficiaries							
Selection of location for setting up the school							
Implementing the training programme							
Continuous monitoring and feed back							
Activity 1.1.3. – grants for production and processing							
Developing the grant process ToRs							
Recruitment of service providers							
Study to identify water efficient technologies							
Launch of the call for proposals for processing and water efficiency							
Review of proposal and selection							
Grants allocations							
Support to selected beneficiaries for the design and purchase of equipment/infrastructures							
Installation and follow of the related equipments							
Water monitoring and accounting							
Digital monitoring system established							
Activity 1.1.4 – Business mentoring							
Developing the module and training curricula							
Selecting and training the mentors							
Rolling out the scheme							
Assessment and feedback							
Activity 1.1.5 - Support to Digital Marketing							
Digital Training							
Identifying and hiring digital trainers							
Selecting target beneficiaries							
Rolling out the training							
Monitoring and feedback							
Engaging with aggregators							
Identifying aggregators							
Training aggregators and women food processors							
Rolling out the scheme							
Activity 1.1.6 peer learning, fairs and events							
Identifying women champions and role models							
Preparing a peer learning plan							
Rolling out the plan							
Assessment and feedback							

Activity/task	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	
Activity 1.1.7 Green Jobs							
Selection of youth							
Training in crop maintenance							
Training in installation, maintenance & repairs to irrigation equipment, greenhouses and hydroponics							
Selection of grant recipients							
Grant disbursement							
Monitoring, mentoring and coaching							

Sub-component 1.2 Value chain & business development

This sub-component will be achieved through the following outputs:

- Output 1.2.1: Improved understanding and mapping of the agriculture value chain.
- Output 1.2.2: Upgraded and efficient value chain actors (SMEs and farms).
- Output 1.2.3: Capacitated and climate resilient agricultural production and production processes.

Output 1.2.1 will be achieved through activities described in Subcomponent 1.2.1 “value chain study and in-depth assessment”, Output 1.2.2 through activities described in Subcomponent 1.2.2 and 1.2.3, “identifying and upgrading value chain actors” and Output 1.2.3 through Subcomponent 1.2.4 and, “capacity building in climate resilient agricultural production”. Activities to be undertaken under this component are detailed below.

Expected results

The purpose of this sub-component is:

- Deepen the understanding and mapping of the agricultural value chain actors and understand their requirements for improved productivity and efficiency.
- Capacitate SMEs involved in processing, packaging, grading/sorting and cold storage, to better serve smallholder producers and more efficiently supply the market.
- Build the capacity of smallholder producers in climate resilient production, including more efficient use of water, climate smart agricultural practices and reduction in post-harvest losses.
- Support innovative digital systems for monitoring production, aggregation, transportation, and marketing.

Direct beneficiaries

A total of 2,865 people will benefit from these activities:

- 50 grading/sorting or processing facilities equipped and upgraded to receive and market more agricultural commodities.
- 100 primary agricultural producers capacitated with water efficient irrigation systems and sustainable energy solutions.
- 750 jobs created by the 50 equipped SMEs
- 1,000 primary agricultural producers delivering produce to the 50 SMEs.
- 500 jobs created by the primary agricultural producers.
- 450 agricultural producers trained in climate resilient agricultural production, post-harvest handling and business development services.
- 15 e-learning videos on advanced production, post-harvest management and processing technologies developed

- 50 businesses-to-business (B2B), business-to-farmer (B2F) and platforms established.
- 10 agricultural fairs/expos/exhibitions attended and organized.
- 5 digital platforms and applications to better coordinate the value chain initiated.

Lessons learned and findings.

Crop and Value Chain Selection A lesson learned is the importance of deciding on *initial priority crops and associated value chains early* in the project design to allow for rapid implementation. The criteria for selection should include *high water-efficiency* and "value per drop" combined with poverty criteria and considerations. Experience has shown that a wide initial targeting can lead to adding crops less justified in terms of water efficiency during implementation. While allowing for adding crops later is possible, they must continue to meet the high water-efficiency criterion, which is critical in water-scarce Jordan. Market studies and consultation with institutions like NARC are important for selecting priority crops.

Developing Effective Producer Organizations and Linkages Past experiences with development partners in Jordan highlighted issues restraining farmers' integration into value chains, including *weak capacity of farmers' organizations*, lack of trust between parties, buyers lacking secure market access, limited large buyers for contracts, cooperatives lacking access to finance, a lack of cooperation spirit, and insufficient transparency and dispute settlement mechanisms.

Sustainability of Market Linkages Market development and value chain linkages established during a project should ideally not require *continued involvement of public agencies* for them to lead to further opportunities for the target group and rural MSMEs. This suggests a focus on building self-sustaining linkages.

Description of activities

Subcomponent 1.2. Value chain and SME development

The following value chain have been initially selected for support under REGEUP-UP; (i) fruits such as palm dates, olive oil, and citrus, (ii) vegetables – tomatoes, peppers (chilli, bell and Hungarian), zucchini, egg plants and okra and (iii) HMAPs – thyme and sage. These value chains have been selected based on high water use efficiency, availability of local and export markets, and have potential for growth and value addition.

Activity 1.2.1 Value chain study and in-depth assessment (USD40,000)

A needs assessment study to identify (including geo-mapping) of forward and backward linkages for key value chains including mapping of available value chain stakeholders (aggregators, traders, processors, exporters), their investment needs and capacity will be conducted. The VC study will help to refine the activities of the project and areas of intervention. Consultant/s should be appointed to undertake the study and to be completed within 6 months of project start-up. The terms of reference of the consultant/s is outlined in the Annex A. Below is a draft methodology for conducting the value chain study:

Value Chain Study and in-depth Analysis

The primary aim is to map the value chain structure and dynamics, understand the macro-economic contributions, analyse the regulatory framework, and identify producer types and segmentation within the sector.

The Approach:

Stakeholder Engagement: Inclusion of key stakeholders—including farmers' cooperatives-unions, government ministries, local organizations, NGOs, academia, and consumers—to gather qualitative insights and co-design intervention strategies to enhance horticulture value chains accessibility to small scale farmers through coaching sessions and training programs tailored to the sector's specific need

Value chain analysis specific objectives:

- Map the core value chain functions of Jordanian agricultural sector, including all the tiers and actors, with observations to the most vulnerable in terms of income, smallholder farmers and refugees.

- Identify the barriers, constraints and threats the vulnerable target groups face.
- Identify opportunities for improvement and design of intervention strategies based on identified gaps such as technological literacy, irrigation technologies, infrastructure and marketing strategies.

The approach should involve:

- Secondary Market Research: Using publicly available data to map crop markets, sectors, and overall contributions to GDP and livelihoods. Utilizing publicly available data from international organizations (World Bank, World Economic Forum, FAO) and local authorities (Department of Statistics) to establish a foundational understanding of the sector's contribution to GDP and the livelihoods of farmers.
- Stakeholder Engagement: Engaging with the main stakeholders to co-design sessions for coaching and training programs that adhere to the sector's unique needs.
- Participatory Analysis: Integrating stakeholders throughout the process to ensure that the study accurately represents the prevailing status of the value chain.

Stakeholder engagement

- Stakeholder Engagement: Conduct interviews and focus groups with key stakeholders, including farmers' cooperatives, government agencies, NGOs, academia, and consumers.
- Using Value Chain Analysis (VCA) with participatory research methods—such as focus groups and stakeholder workshops—to understand and analyse socio-economic factors that enhance or constrain the development of agro-ecological value chains.

Main risks and mitigation

The value chain study may fail to identify the key value chain, important actors and key interventions required to improve the performance of the value chain. Failure to capture all relevant information, both primary and secondary sources, and exclusion of key stakeholders, including policy makers and regulators. It is important to define and agree on the methodology and scope of the VC study. Data collection should be robust and include primary sources and make use of digital tools in data collection and analysis. Stakeholder consultations should be inclusive and participatory and include disadvantaged communities such as women and refugees.

Activity 1.2.2 identify/select SMEs and farms to upgrade (USD10,000).

SMEs and agricultural production enterprises to be supported under REGEUP-UP will be identified and selected using the following process/steps.

- A call for expression of interest (EOI) will be made in local media and other channels such as value chain associations, e.g. Jordan Dates Association (JODA) and complemented with the Jordan Cooperative Corporation (JCC) register.
- The PCMU will also undertake information days/road shows in areas with high target group concentration, such as the Jordan Valley.
- Applications forms and guidelines (in Arabic and English) will be distributed physically and digitally during the call for expression of interest (Annex C).
- JEDCO, with assistance from with the assistance of an implementing partner (Annex D), will verify, review the applications and make final selection of beneficiaries based on selection criteria and scoring system.

Scoring Matrix for REGEUP-UP SMEs/Farms

Criteria Category	Indicator	Score Range	Weight (%)	Notes

Business Viability	Years in operation	0–5	10%	>3 years = 5; 1–3 years = 3; <1 = 1
	Market access (local/export)	0–5	10%	Export or regional = 5; local informal = 2
	Revenue trends over last 3 years	0–5	5%	Growing = 5; stable = 3; declining = 1
Growth Potential	Potential to scale/expand with support	0–5	15%	Plans and capacity to scale
	Access to finance (current or prior)	0–5	5%	Yes = 5; Limited = 2; None = 0
Inclusivity & Impact	Female/youth ownership or leadership	0–5	10%	Woman/youth led = 5; mixed = 3; none = 0
	Employment generation potential	0–5	10%	>10 jobs = 5; 5–10 = 3; <5 = 1
	Inclusion of vulnerable groups	0–5	5%	Actively inclusive = 5
Environmental Sustainability	Water efficiency or sustainable practices	0–5	10%	Drip irrigation, solar, composting, etc.
Readiness for Support	Capacity to absorb technical/financial support	0–5	10%	Demonstrated systems and personnel
	Willingness to co-invest	0–5	5%	High = 5; Low = 2; None = 0
Total		/65	100%	Minimum threshold for eligibility: e.g., 40/65

- Selected SMEs/farming businesses should present a profitable/viable business plan, be involved in the selected value chain and show capacity to create additional jobs and uptake produce from smallholder farmers.

Verifications and confirmation of the required investments will be made through follow-up visits to the SMEs and farms.

Activity 1.2.3 Upgrading and equipping value chain actors (USD3.75 million).

Under a matching grant scheme (50% beneficiary: 50% project), value chain actors will be strengthened in their capacity to (i) more efficiently use water and energy, (ii) reduce harm to the environment and (iii) increase uptake of produce from small-scale producers. The project will make investments in:

50 grading/sorting and processing facilities with a total value of USD2 million over 6 years. Support and equipping will be in the form of grading/sorting lines, cold storage facilities, packaging and branding equipment with solar energy system, and transport and logistics. These investments should also ensure an improvement in energy efficiency and ability to absorb more produce from smallholder producers and create jobs.

These investments are open to SMEs involved in processing of priority agricultural commodities as defined and selected in 1.2.1. they should also be off taking or receiving and processing produce from smallholder producers. The 50 grants will reach directly 50 beneficiary SMEs. They are also expected to generate on average 15 job creations (full-time or part time) per grant, meaning a target of 750 job creations, and procure agricultural produce from 20 smallholder producers, meaning a target of 500 suppliers.

The beneficiary in-kind contribution will be set initially at 50% of the total investment, failing uptake at 50%, only then increase the subsidy to 75% or 25% beneficiary contribution.

100 agricultural producers with an investment of USD1.7 million. Investments will include greenhouses, hydroponic systems, advanced irrigation equipment such as subsurface drip, solar energy and water harvesting (between 200 and 700 m³), and crop harvesting and post-harvest handling equipment.

This funding covers installation of hydroponic systems, as well as other water efficient irrigation systems (drip irrigation, micro-spray, but not sprinklers and not aquaponic). A total of 100 grants are foreseen for these equipment, with an average budget set at USD 17,000 per unit (50%) from the project and a farmer contribution of USD17,000 (50%).

These grants are open to beneficiaries in all 10 Governorates by principle, as long as they are technically implementable and they comply with the targeting and selection criteria set below. Priority will be given to farms producing selected crops that are water efficient and optimize value per drop (as defined in 1.2.1). Beneficiary farmers should be resident on the farm and derive the majority of their incomes from the farm.

The 100 grants will reach directly 100 beneficiaries of which 30% are women and 30% are youth. They are also expected to generate on average 5 job creations (full-time or part time) per grant, meaning a target of 500 job creations. The beneficiary in-kind contribution will be set at 25% of the total investment.

This activity (for both SMEs and producers) will be implemented through an Implementing Partner (see Annex D for terms of reference,) that will be hired by the project. ToRs will be developed by REGE PMCU with support from IFAD. The ToRs will include activities related to grants in hydroponic/efficient irrigation systems.

A digital monitoring system will be developed and implemented to support effective monitoring and management of investments. This will include capture of beneficiary details including geolocation, type of investment, business model, expected outputs (new jobs created, farmers and processors linked, increased capacity).

Activity 1.2.4 Capacity building of agricultural enterprises (USD250,000). Beneficiaries of the REGE-UP matching grant facility and farmers supplying to the funded SMEs will undergo capacity building in various facets of their production processes.

- e) Advanced Climate resilient agricultural production (USD60,000), including advanced technologies such as greenhouse and hydroponics, advanced pressurized micro-irrigation systems with fertigation and moisture monitoring, water catchment System, larger water and soil conservation practices. Good agricultural practices including integrated pest management, selection of adapted crops varieties, use of organic fertilizer and matters will also be promoted. These practices will boost productivity, enhance resilience and reduce GHG emissions.

- e) Crop harvesting and post harvesting handling (USD25,000) to reduce post-harvest losses estimated at up to 30%. Support will also be provided will include crop grading.
- e) Certification and production standards (USD75,000) such as Global GAP and other certification schemes on food quality and safety standards also to enable qualification for export markets.
- e) Occupational safety and health training for producers and their employees (USD40,000).
- e) Business development services (USD50,000). Beneficiaries will be trained in business management, budgeting, managing financial resources and negotiation skills. The project will hire a BDS service provider to develop curriculum, deliver training and mentoring. Financial institutions and offtakers will participate and provide tailored support.
- e) The implementing partner(s) for these training will develop short video content that can complement physical training specifically focusing on business management, financial literacy, post-harvest handling, crop grading and advanced production technologies has been planned. On business management and advanced production technologies peer learning models need to be emphasised even through digital content. The content will again need to be made available through YouTube and other social media channels. The implementing partner will engage with the KM specialist in the PCMU to design the plan of activities for e-learning.

Activity 1.2.5 Promoting market access and digitalization (USD150,000)

- c) Establish business-to-business (B2B) and business-to-farmer (B2F) platforms (USD70,000), including farm visits for processors. This will also link farmers to input suppliers. Strengthen producer associations and their interaction with processors, aggregators and exporters.
- c) Promote digital marketing (USD50,000) through use of existing applications such as the by JODA. Through digital trainings encourage youth to develop simple tools and use digital applications including social media for marketing. The project can design a challenge competition using small grant amount (up to 20 grants) to invite youth to create small digital businesses/tools that can maximised market access for local communities. Participate in and organize trade fairs and road shows (USD30,000), including international fairs especially in the Gulf States to identify export markets.

Description of the phasing for the sub-component 1.2

Activity/task	Y1	Y2	Y3	Y4	Y5	Y6
Subcomponent 1.2: Value chain and SME development						
Activity 1.2.1 Value chain study and in-depth assessment						
Development of terms of reference and call for expression of interest						
Selection of consultants						
Publication of study and recommendations						
Activity 1.2.2 Identify/select SMEs and farms to upgrade						
Call for expression of interest						
Road shows						
Selection of enterprises for funding						
Verification visits						
Final list of SMEs and primary producers to be funded						
Activity 1.2.3 Upgrading and equipping value chain actors						
Call for applications for upgrading SMEs and farms						
Selection of successful bids						
Ground-truthing and verification						
Funding of successful bidders						
Digital monitoring of implementation						
Activity 1.2. 4 Capacity building of agricultural enterprises						
Training in climate resilient agricultural production						
Training in crop harvesting and post-harvest technologies						
Certification and production standards						
Occupational safety and health training						
Business development services						
e-learning for agorocessors						
Activity 2.1.5: Promoting market access and digitalization						
Establish business-to-business (B2B) and business-to-farmer (B2F) platforms						

Implementing mechanism and partners for Sub-component 1.2

Implementation of Sub-component 1.2 will be under the direct supervision of JEDCO with assistance from implementation partners such as NARC, JSMO and various consultants who will be appointed for specific assignments. Under JEDCO, the activities under subcomponent 1.2 will be the direct supervision of the Value Chain Coordinator/Specialist.

Value chain study and in-depth assessment. This activity will be under the direct supervision of JEDCO. A specially recruited Value Chain consultant will undertake an in-depth assessment of the agricultural value chains and make recommendations on which value chains can be supported by REGEF-UP. Terms of reference for the value chain study are defined/detailed in the Annex to Component 1.2 (below).

Identify/select SMEs and farms to upgrade A call for expression of interest (EOI) will be made in the local press and using various social media platforms, as required by procurement regulations of Jordan. In addition, JEDCO will undertake information days or roadshows, and other promotion events in areas of concentration of target farmers.

Submitted grant applications and proposals undergo an evaluation process conducted by an evaluation committee led by JEDCO, in partnership with an implementation partner (Annex D). The evaluation process typically includes three phases: initial assessment, desk assessment, and field assessment. Selection will be based on defined criteria and a scoring system. For SMEs and farming businesses selected for upgrading, criteria include presenting a profitable/viable business plan, being involved in the selected value chain, showing capacity to create additional jobs, and being able to uptake produce from smallholder farmers. Investments must be 'bankable', generating sufficient cash flow to cover repayment if it were a loan, and have potential for significant growth.

The potential beneficiaries must also show ability to raise financing for their component of the financing, i.e. 25% of the required investments.

Upgrading and equipping value chain actors SMEs and farms identified and selected for upgrading will be eligible for financing under the grant/loan financing of the project. The grant (25%)/loan (75%) scheme will be under the direction of JEDCO Value Chain Specialist, with the assistance a financial consulting company.

Capacity building of agricultural enterprises This activity will be under the direct supervision of JEDCO through the VC Coordinator. JEDCO will hire two service providers, one for advanced climate smart agricultural production (or use NARC) and directly contract JSMO for production standards and certification.

Main risks and mitigation

Main risks to implementing the value chain development activities (i) misuse or low capacity to utilize allocated funds by beneficiary SMEs or farming businesses, (ii) failure to access a lucrative or viable market, (iii) poor implementation of the value chain improvement activities, (iv) environmental degradation by the funded businesses, and (v) elite capture or inequitable selection of beneficiaries.

Mitigation measures are built into the activities. Beneficiaries co-finance the supported investments into the value chain through 50% contribution to the value of the investments. This ensures there is a sense of ownership and a stake in the business investments. Beneficiaries will also be capacitated with financial and business management training, institute mentorship programmes for youth and funds will be disbursed in tranches based on implementation progress. Business to business (B2B) platforms and linkages will be formed between farmers and off-takers (SMEs), and contracting arrangements facilitated. There is product certification and traceability to assure all actors of product quality and safety. To safeguard against

environmental degradation, REGEP-UP will only finance water-efficient irrigation equipment and practices, capacitate beneficiaries in climate-smart agricultural practices and energy saving infrastructure. A transparent selection criteria for beneficiaries as outlined in Activity 1.2.2 will prevent inequitable selection and elite capture. There is also a built-in requirement to fund 30% women and 30% youths.

Annex to sub-component 1.2:

Terms of Reference for Value Chain Consultant/s

Scope of Work

- Conduct market analysis to identify opportunities and challenges in the agricultural sector.
- Develop strategies for improving productivity, processing, and distribution within the value chain.
- Provide capacity-building programs for farmers and agribusinesses.
- Facilitate access to finance and investment opportunities.
- Strengthen linkages between producers, processors, and retailers.
- Promote sustainable agricultural practices and climate resilience.

Methodology

- Engage in stakeholder consultations and participatory planning.
- Utilize data-driven approaches for decision-making.
- Implement pilot projects to test innovative solutions.
- Monitor and evaluate project progress using key performance indicators.

Deliverables

- Comprehensive value chain analysis report.
- Business development strategy for agricultural enterprises.
- Training modules and workshops for stakeholders.
- Policy recommendations for enhancing agricultural competitiveness.
- Final project evaluation and impact assessment.

Qualifications & Experience

- Expertise in business development and agricultural value chains.
- Experience working in Jordan or similar regional contexts.
- Strong analytical and project management skills.
- Knowledge of international best practices in agribusiness development.

Tentative structure for Value Chain Mapping report

Executive Summary

1. Introduction

2. Sector Overview

2.1 General overview of characteristics and trends of the Jordanian Agricultural sector

2.2 Key food and non-food (ornamental) crops

3. Market Analysis

3.1 The Jordanian Agriculture market

3.1.1 Market segmentation and product groups

3.1.2 Market trends

3.1.3 Trends in trade and legislation

3.2 Regional markets (Or potential and current export markets)

3.3 Trade flows

3.3.1 Jordan exports

3.3.2 Jordan imports

3.4 Main competitors and seasonal patterns

4. Mapping and value chain (VC)

4.1 Chain stakeholders

4.1.1 Chain actors and their activities.

4.1.2 Chain supporters and their activities.

4.1.3 Chain influencers and their activities.

5. Bottlenecks and entry barriers along the value chain

5.1 Background

5.2 VC Capabilities; Small holders Vs big producers

5.3 Market and market access

5.4 Human Resource

5.5 Transport margins and transaction costs.

5.6 Technology & production input

5.7 Legislation and policy

5.8 Summary

6. Recommendations

6.1 Introduction

6.2 Human Resources - Capacity Building and Development

6.2.1 Coaching and training sessions

6.2.2 Sustainable advisory and knowledge base.

6.2.3 Refugees' inclusion

6.3 Technology & production input

6.4 Business and market environment

6.5 Summary and outlook

A. Sample Application Form for SME/Farming Business Support.

SECTION A: BASIC INFORMATION

Applicant Name:

Business/Farm Name:

Type: ☐ Individual farm ☐ SME ☐ Cooperative

Registration Number (if applicable):

Location (Governorate, District):

Contact Details (Phone, Email):

Year Established:

Sector: ☐ Crop ☐ Livestock ☐ Processing ☐ Other: _____

Main Value Chain/s and area (ha):

SECTION B: BUSINESS OPERATIONS

Number of employees:

- Full-time: ____
- Part-time: ____
- Female: ____
- Youth (18–35): ____

Annual production volume/value (last year):

Key products:

Key input suppliers and buyers:

SECTION C: SUPPORT REQUIRED

Type of support requested:

- ☐ Equipment/Assets
- ☐ Working Capital/Finance
- ☐ Technical Assistance
- ☐ Marketing/Linkage Support
- ☐ Other: _____

Proposed use of support:

Willingness to co-invest: ☐ Yes ☐ No, Amount:

SECTION D: INCLUSIVITY AND SUSTAINABILITY

Is the business owned or managed by:

- ☐ Woman ☐ Youth ☐ Person with disability ☐ Refugee

Practices used for water or energy efficiency:

SECTION E: DECLARATION

I declare that the above information is accurate to the best of my knowledge.

Signature: _____ Date: _____

B. Terms of Reference for an Implementing Partner for Agricultural Value Chain Financing and Capacity Building of SMEs and Farms

1. Background

Jordan's agriculture sector faces challenges in productivity, water scarcity, market access, and under-capacitated value chain actors. Smallholder farms and agri-SMEs, especially youth- and women-led businesses, lack access to finance, inputs, technology, and knowledge. This intervention aims to strengthen selected value chains (e.g., olives, herbs, vegetables, dates, citrus) through enterprise support and inclusion.

2. Objective of the Assignment

To deliver a comprehensive support package (technical, financial, and market access) to a minimum of 200 SMEs and farms operating within priority agricultural value chains in Jordan, with an emphasis on inclusion, sustainability, and scalability.

3. Scope of Work

The selected organization will be responsible for the following:

A. Outreach and Beneficiary Selection

- Develop and implement a transparent outreach and mobilization plan.
- Conduct pre-screening, eligibility checks, and scoring based on predefined criteria.
- Ensure geographic, gender, and youth inclusion.
- Conduct due diligence and verification visits.

B. Capacity Building and Technical Assistance

- Design and deliver tailored training modules on:
 - - Business development and financial literacy
 - - Climate-smart agricultural practices
 - - Crop harvesting and post-harvest handling
 - - Market readiness and quality standards
 - - Digital tools and farm management
- Conduct group trainings, one-on-one coaching, and field demonstrations.

C. Support and Facilitation of Access to Finance

- Assess the financial needs of selected SMEs/farms.
- Develop investment plans/business plans with beneficiaries.
- Facilitate access to grants, blended finance, or loan guarantees.
- Monitor the use of funds and ensure accountability.

D. Market Linkage and Value Chain Integration

- Map market actors and link beneficiaries to buyers, processors, exporters, etc.
- Organize B2B events, buyer missions, and trade fairs.
- Facilitate contract farming, aggregation models, or outgrower schemes.

E. Monitoring, Reporting, and Compliance

- Track and report on key performance indicators (e.g., jobs created, income increase, productivity gains).
- Submit regular progress and financial reports.
- Ensure gender and environmental compliance.
- Participate in PMU coordination meetings.

4. Deliverables

	Deliverable	Timeline
1	Inception report with detailed implementation plan	Within 1 month
2	Outreach and selection report of target SMEs/farms	Month 2–3
3	Customized training curriculum and delivery schedule	Month 2
4	Business plans/investment plans for supported beneficiaries	Rolling (3–12 months)
5	Grant or financial facilitation reports	Quarterly
6	Market linkage report and trade event documentation	Midterm & endline
7	Final narrative and financial report	End of project

5. Minimum Qualifications of the Implementing Organization

- Legally registered company, NGO, or cooperative network in Jordan.
- At least 5 years of experience in agricultural development, SME support, or rural finance.
- Demonstrated experience in value chain development and working with smallholders and agri-SMEs.
- Staff with expertise in: Agribusiness, extension, or rural development; Gender and youth inclusion; Financial planning and grant management.
- Strong presence in target regions and ability to work with diverse stakeholders.

6. Evaluation Criteria for Selection

Criteria	Weight
Technical proposal and methodology	40%
Organizational experience	20%

Team qualifications	20%
Cost proposal	15%
Inclusion and sustainability plan	5%

7. Budget

Estimated budget: [insert range, e.g., \$30,000–\$50,000], depending on scale and scope. Cost-sharing and in-kind contributions are encouraged.

8. Reporting and Oversight

The selected partner will report directly to the Project Management Unit (PMU) and coordinate with other implementing partners, government entities (e.g., MoA, NARC), and relevant donors.

Cross-cutting engagement: Digital Monitoring System

Building on the lesson from REGEF implementation on the lack of data for effective monitoring of grants well as lack of understanding among beneficiaries on the value of investments, a digital monitoring systems will be developed. The system is expected to be overseen by PCMU (KM/M&E MIS specialist TBD) with regular inputs from multiple implementing partners including those involved in grant selection, grant implementation and monitoring under sub-component 1.1 and 1.2 as well as providers of capacity building on production, processing, nutrition as well as business development, certification and other trainings. The system will be custom developed by a service provider (required system specifications, evaluation criteria and implementation plan is enclosed). This system will complement the MIS system of the project and support aggregated reporting for the system MIS.

To support sub-component 1.1 and 1.2, the digital monitoring system will be setup to track investments particularly beneficiary information, type of investment, business model (expected return, fixed, variable costs etc.), geo-locations, trainings received for effective monitoring and management of activities. The full scale mapping will be done for the 1040 grantees under component 1 and the trainings completed will be mapped for the 3000 beneficiaries trained in improved agricultural practices adapted to water-scarce conditions and 2500 trained on small scale processing and business management. The grant application and selection process will remain offline.

The same monitoring system will also track in detail the investments made for the 50 grading/sorting and processing facilities and the 100 agricultural producers availing matching grants for advanced production technologies. In the case of these grantees, the system will capture beneficiary details including geolocation, type of investment, business model, expected outputs (new jobs created, farmers and processors linked, increased capacity). Full system specifications are below.

The system will ensure transparency, performance tracking, and informed decision-making through comprehensive data collection and analytics. At its core, the system will enable service providers to input and monitoring teams to track every stage of the grant and capacity building lifecycle—from farmer registration and to tracking of business plans for each grantee. It would include features such as beneficiary registration, management of households, KPI tracking, business plan monitoring, and the collection of other standard indicators. Field officers will be able input data via mobile-friendly forms with offline capability and the implementing partners would be required to ensure that field staff have access to a basic smart phone. Dynamic dashboards, customizable reports, and early alerts would allow for better planning and management of activities.

System Specifications:

Functional Area	Technical Specifications
Beneficiary Management	- Unique ID generation for each beneficiary - Geo-tagging and location capture - Mobile-based registration form with offline capability - Household data capture (Household id as per national records, linking of beneficiaries by households, demographics, economic status-government subsidies, etc.) - Other employment
Grant and Investment Tracking	- Database schema for grantee and investment records - Fields for investment type,

	fixed/variable costs, business models - GPS coordinates for investment location - Data linking to business plan - KPI records for type of grant (to be defined by the project) , results from model plots (link to tool developed by IP in subcomponent 1.1 and JEDCO)
Training and Capacity Building	- Training module with trainer, date, topic, and beneficiary linkage -track attendance - Categorize training types (agriculture, processing, business)
Business Plan Monitoring	- Template builder for business plans - Milestone and timeline tracking tools - Integrated KPI monitoring and evaluation dashboard
KPI and Output Monitoring	- Define KPIs per investment/training type - Auto-calculation from input data (e.g., jobs created, yield increase) - Tracking of inclusion parameters: Gender, Youth, refugee participation etc. - Alerts for underperformance based on thresholds
Data Collection Interface	- Android/IOS compatible forms with offline mode - offline data collection, auto sync when connected - Data validation checks (mandatory fields, dropdowns, etc.)
Disbursement Management	- Track all grant and co-financing disbursements - Triggered by milestone completion - Generate disbursement schedules - Audit logs
Dashboard and Reporting	- Real-time data aggregation - Interactive dashboards using charts and maps - User-defined filters for dynamic reporting - Export to PDF, Excel
System Administration	- Role-based user access (admin, field officer, M&E, partner) - Activity logs and audit trail - Backup and restore functionality
Security and Compliance	- Encrypted data at rest and in transit - User authentication - GDPR/local data protection compliance

Integration and Interoperability	- API endpoints for external system integration - Data import/export in CSV, JSON formats - Webhooks for real-time data exchange

Timeline

Key Activity	Proposed timeframe
Needs assessment and an inception report	Within one month of engagement
System development and customisation	Within 4 months of engagement
User testing and upgrades	Within 2 months of beta rollout
Final rollout	Within 6 months of engagement
Training and rollout	Within 10 months of engagements
Documentation	Within 12 months of engagement

Potential Evaluation Criteria for Vendors

Previous experience	Weightage
• Experience in digital monitoring system/IT solutions development; • Understanding of development challenges and rural connectivity challenges demonstrated with previous experience • Demonstrated experience of working with government institutions • Demonstrated experience in training and capacity building • Experience working with international donors and UN Agencies is a plus	30%
Proposed Team and Technology stack proposed	
• Team leader experience of at least 5 years in design of IT solutions for digital monitoring • Technical expertise for both backend and front end technologies such as Django / Laravel / Node.js, SQL, Node React.js / Vue.js or similar technologies is included in the team structure.	30%
Quality and coherence of proposal	

• Strength and feasibility of the proposed approach for the implementation and deployment within the timeframe available • Strength and feasibility of the proposed management structure and approach for the coordination of deliverables • Quality of plan of activities of capacity building and documentation	10%
Financial Proposal	
• Proposed cost structure (budget table and narrative) for management of activities	30%

3.2 Component 2 – Inclusive Rural Finance

Background: Financial inclusion

The state of financial inclusion in Jordan has seen notable progress since 2011 when only 26% of the adult population in Jordan had access to a transactional account, according to the WB Global Findex survey. In 2021, this figure almost doubled to reach 47%, bringing Jordan on a par with the average for the Middle East and North Africa (MENA) region. Yet the country lags significantly behind UMI countries where, on average, 84% of adults have an account. The levels of account ownership are even lower among vulnerable groups such as youth under 25 years old (29%), women (34%) and lower-income people (37%), highlighting the generational, gender and income gaps (to compare, the account ownership among 25+ year-olds is 53%, men – 59%, and higher-income – 54%). In terms of savings, while 24% of adults save money, only 4% do so using an account. This is significantly lower than in MENA and UMI countries where, respectively, 12% and 37% of adults save money using an account. There is a similar gap when it comes to the use of credit: 54% of adults in Jordan borrow, with only 9.9% borrowing formally (as compared to MENA and UMI with 11% and 35%, respectively). The usage of formal borrowing is especially low among women (6%, versus 13% men) and youth (4%, versus 12% among those aged 25+).

Jordan has been at the forefront of the Islamic finance in the region, with sound legal and regulatory frameworks in place for the operation of Islamic finance institutions, as well as a variety of providers and products available to individuals and businesses. According to *Number Analytics*,¹¹ the share of Islamic banking assets by 2020 reached 62% of the total banking assets (an almost 7-fold growth from JOD 2.3 billion in 2010 to JOD 14.1 billion in 2020). Islamic finance products available include deposit accounts, financing products (e.g., Murabaha, Musharaka, Ijarah), investment products (e.g., Sukuk, Islamic mutual funds), and Takaful (Islamic insurance). In addition, the Jordan Loan Guarantee Corporation provides both Islamic (Kafala) and non-Islamic loan guarantee services to support various sectors, including small and medium-sized enterprises (SMEs).¹²

While urban areas tend to have better access to traditional banking services, rural areas face specific challenges, including limited infrastructure, economic uncertainty, lower income levels or rural residents, as well as lack of collateral or credit history. On the supply-side, there is notable lack of appropriate loan products meeting the specifics of agricultural businesses. In addition to these challenges, limited financial literacy among farmers and rural entrepreneurs further exacerbates the difficulties associated with agricultural lending in Jordan. Many individuals lack the necessary knowledge and understanding of financial concepts, such as budgeting, saving, and debt management, which are critical for making informed financial decisions and effectively utilizing available financial products and services.

Expected outcomes

The main expected outcomes of the Inclusive Rural Finance component will be: (i) improved access to financial services for small and medium enterprises (SMEs) and microenterprises in rural areas, leading to enhanced economic and climate resilience and sustainability; (ii) strengthened technical capacity of participating financial institutions (PFIs) through targeted capacity-building initiatives, facilitating their ability to provide loans better suited to the needs of agriculture; (iii) improved financial literacy among rural residents and microentrepreneurs, including women and youth, enabling them to better understand financial concepts, manage resources efficiently, and access appropriate financial products and services tailored to their needs.

Component 2 consists of three subcomponents closely reflecting the above outcomes:

1. Improved access to finance for MSMEs

¹¹ <https://www.numberanalytics.com/blog/islamic-banking-in-jordan-a-historical-overview>

¹² <https://www.jlgc.com/en/service/loan-guarantee-programs>

2. Strengthened technical capacity of PFIs
3. Improved financial literacy among rural residents

Lessons learnt

While urban areas in Jordan tend to have better access to traditional banking services, rural areas face specific challenges, including limited infrastructure, economic uncertainty, lower income levels or rural residents, as well as lack of collateral or credit history. On the supply-side, there is notable lack of appropriate loan products meeting the specifics of agricultural businesses.

REGEP's success in providing loans to a diverse range of agricultural SMEs and microenterprises, with a significant percentage lent to women and youth, highlighted the importance of inclusive lending practices. By extending lines of credit to commercial banks and MFIs and managing them through the Central Bank of Jordan (CBJ) lending facility, the project ensured access to formal financial services.

REGEP highlighted the importance of partnering with a country's financial regulator, CBJ, to effectively mitigate risks. Early on, CBJ developed an onlending mechanism that provided direct funding to banks and indirect funding to microfinance institutions (MFIs) through banks. This structure placed the responsibility for loan repayment with stronger market players, such as banks, which have a larger and more diversified capital and asset base compared to MFIs. MFIs, with their less diversified client base and higher exposure to risk from uncollateralized loans, are more financially volatile and vulnerable to defaults. By shifting the repayment responsibility to banks, the project ensured timely repayment of loan funds, even in cases when MFIs may be facing challenges. Moreover, CBJ's role as regulator allowed it to oversee the performance of the PFIs and apply the necessary influence when needed, ensuring meeting the project's targets and the quality of the loan portfolio. This partnership highlights the value of involving a financial regulator to manage risks and ensure the success of lending programs.

During REGEP, the project provided lending via three conventional and two Islamic banks (Islamic International Arab Bank and Safwa Islamic Bank) which ensured a balanced and inclusive approach to reaching underserved beneficiaries. REGEP-UP will continue this practice through the cooperation with both conventional and Islamic banks, as well as the Agricultural Credit Corporation (ACC) which operates based on Islamic finance principles.

One key lesson learned from previous rural finance interventions is the importance of ongoing borrower monitoring to ensure timely identification of challenges and the provision of necessary support. Regular follow-up with borrowers allows to detect early signs of distress, offer advisory services or adjustments where needed, and thereby help maintain healthy repayment performance. This proactive approach not only mitigates default risks but also strengthens the long-term relationships between borrowers and PFIs.

Another important lesson is the value of close coordination with Component 1 of the project, which can help generate market intelligence on agricultural enterprises. This information, when systematically collected and shared with PFIs, can greatly enhance their ability to conduct market scoping, assess demand, and develop a loan pipeline. Such collaboration supports PFIs in identifying viable borrowers and designing financial products that are responsive to market conditions, ultimately increasing the effectiveness and sustainability of rural lending activities.

REGEP also highlighted that the introduction of new financial products or expansion to new markets require prior investment in awareness raising, TA and capacity building. Not following this sequence can result in disbursement delays and absence of suitable loan products meeting the specifics of agriculture, such as seasonality, which should be reflected in loan repayment schedule. Lack of prior TA and capacity building may also negatively affect the sustainability of rural finance interventions since PFIs who face any negative experience may not be interested in expanding their lending in rural areas and to the agricultural sector.

In addition to these challenges, limited financial literacy among farmers and rural entrepreneurs further exacerbates the difficulties associated with agricultural lending in Jordan. Many individuals lack the necessary knowledge and understanding of financial concepts, such as budgeting, saving, and debt management, which are critical for making informed financial decisions and effectively utilizing available financial products and services.

Expected results

- Rural MSMEs, including smallholder farmers, women, and youth, gain improved access to affordable, appropriately sized financing to grow their businesses and improve climate resilience;
- Long-term relationships are established between loan beneficiaries and PFIs, contributing to sustained financial inclusion;
- PFIs and ACC develop the capacity to assess and manage agricultural loans using sector-specific tools and methodologies, improving credit quality and outreach;
- PFIs and ACC successfully extend credit lines in accordance with borrower eligibility criteria and project lending guidelines, including to underserved segments such as youth and women;
- After the project completion, PFIs and ACC continue to apply the tools and approaches developed under the project, enabling continued lending to rural and agricultural clients;
- Rural populations, particularly women and youth, improve their financial knowledge and decision-making capacity through tailored financial literacy training, contributing to more effective use of financial services and reduced risk of over-indebtedness.

Direct beneficiaries will be around 3,417 borrowers and 5,000 recipients of financial literacy interventions, including:

- 30% female beneficiaries
- 40% youth beneficiaries
- 27 SMEs
- 3,390 microenterprises

Co-funding

The Islamic Development Bank (IsDB), along with the Islamic Solidarity Fund for Development (ISFD), will play a critical co-financing role in this component of the project. Together with IFAD, it will provide sovereign financing to the Government of Jordan in hard currency, which will then be on-lent to the Agricultural Credit Corporation (ACC) in local currency. The microloan credit line will be structured as blended concessional financing, with funds aimed at enhancing the resilience of smallholder farmers and MSMEs across agrifood production systems and agribusiness value chains. As part of the agreement, ACC will match the financing amount provided by IFAD and IsDB/ISFD, and the final lending rate to end beneficiaries is expected to be approximately 3%, significantly lower than the average 6-7% offered by commercial banks.

In addition to the microloan credit line, IsDB will also support the delivery of technical assistance and financial literacy activities under this component. These interventions will strengthen the operational and risk management capacity of PFIs, including ACC, and ensure that financial products are better aligned with the needs of agricultural clients. Support from IsDB will also enable the development of context-appropriate financial literacy tools and training programs to reach rural populations, especially women and youth, thereby deepening financial inclusion and ensuring the long-term sustainability of access to finance in the agricultural sector.

The responsibilities of IsDB under this component will include the following:

- Conduct due diligence of ACC to assess its institutional capacity, lending practices, and alignment with project objectives before disbursement of funds.
- Jointly develop microloan lending products with ACC, ensuring these are suitable for smallholders, and rural MSMEs and reflect the concessional terms agreed under the credit line.
- Coordinate closely with PCMU to ensure that IsDB's operational procedures, safeguards, and financing conditions are fully aligned and integrated into the Project Implementation Manual (PIM).
- Work with PCMU to harmonize reporting and monitoring and evaluation (M&E) frameworks, ensuring consistency in performance tracking, financial reporting, and results measurement.
- Co-fund technical assistance (TA) and financial literacy activities, supporting the broader institutional strengthening of PFIs, ACC and capacity-building for rural borrowers.
- Support ACC's institutional development, including its participation in project training, adoption of agriculture-specific lending tools (such as seasonal loan products and technological maps), and commitment to integrating responsible finance practices.
- Encourage and facilitate ACC's coordination with PCMU and CBJ, including regular data exchange and joint performance reviews, to ensure consistent and harmonized implementation across credit lines.
- Promote responsible lending through improved credit information practices, by supporting ACC in collaborating with licensed credit bureaus to regularly share and check borrower data, thereby reducing the risk of over-indebtedness.

Subcomponent 2.1 Improved access to finance for MSMEs

Description of activities. The subcomponent will provide targeted financing to micro, small, and medium-sized enterprises (MSMEs) in rural areas, empowering them to invest in productive activities, expand operations, and enhance their economic and climate resilience, through a range of both conventional and Islamic finance products.

Two dedicated credit lines will be established to address the diverse financing needs of MSMEs with particular focus on inclusion and affordability, specifically targeting the “missing middle” - loans between JOD 10,000 and 100,000.

- **Activity 2.1.1 – SME loans** provided via the Central Bank of Jordan (CBJ) financing facility: The average loan size will be around USD 70,000 (up to USD 140,000 – JOD 100,000). This credit line will enable growth and expansion for SMEs, an important segment in Jordan's economy that often struggles to access affordable and appropriately sized financing.

- **Activity 2.1.2 – Microloans** via the Agricultural Credit Corporation (ACC): The loans, offered under Sharia principles, will be capped at USD 14,000 – JOD 10,000 (with an average of USD 7,000), targeting microenterprise borrowers as a more affordable source of financing (5-8%) as opposed to high-cost MFIs (27-32% per annum). This facility will ensure access to finance for the lower-income entrepreneurs in need to sustain livelihoods in rural and underserved areas.

In line with the project's commitment to inclusive finance, the credit lines are designed to actively promote the participation of women and youth – two groups that are often disproportionately excluded from formal financial services. Special attention will be paid to lowering access barriers such as collateral requirements, limited credit histories, and lack of tailored products. To support this effort, the project will cooperate with the Jordan Loan Guarantee Corporation (JLGC), which has expressed high interest in collaboration. JLGC is currently expanding its loan guarantee portfolio to include the agricultural sector, making it a strategic partner in addressing collateral constraints for rural borrowers. The credit line will also support investments aimed at strengthening business resilience to climate change, while minimizing the sector's impact on scarce natural resources—particularly water. A key objective of the credit line is to allocate at least 30% of its financing to projects that directly contribute to climate adaptation or mitigation.

Implementation modalities and partners. The implementing partners for the subcomponent are the CBJ and the ACC.

CBJ responsibilities will be as follows:

- CBJ will be the implementing entity for Activity 2.1.1 – SME credit line.
- CBJ will designate a senior manager to serve as the project focal point, responsible for overseeing all aspects of CBJ's role as outlined in the Project Implementation Agreement and the Subsidiary Loan Agreement.
- CBJ will be responsible for selecting Participating Financial Institutions (PFIs) – both conventional and Islamic – in accordance with agreed eligibility criteria, ensuring that only qualified institutions with the capacity to deliver inclusive agricultural SME financing are enrolled. With regards to environmental and social safeguards, CBJ will assess the banks' Environmental and Social Management System (ESMS) and if it is commensurate with the risk level of the type of loans to be managed. If ESMS is not at a satisfactory level, CBJ will ensure selected PFIs develop and apply environmental and social safeguards to the loan selection procedure. TA under subcomponent 2.2 can support PFIs in such endeavour.
- CBJ will constitute a Credit Committee to review and approve loan applications from PFIs under the SME credit line. This committee will include a representative from the Project Coordination & Management Unit (PCMU) of REGEF UP to ensure alignment with project objectives. Each selected PFI, in its turn, will be required to designate a dedicated focal point to coordinate RF-related activities, facilitate communication with CBJ, and ensure timely reporting and compliance.
- As the primary financial intermediary and loan approval authority, CBJ will be responsible for ensuring that its ESMS is fully aligned with IFAD's safeguard standards. To support this alignment, a draft Environmental and Social Action Plan (ESAP), outlining proposed measures,

is included in Annex 3 of the ESMP. The final version of this plan shall be annexed to the final agreement between JEDCO and CBJ.

- CBJ will only disburse funds to PFIs following formal approval of loan requests by the REGEPCMU.
- CBJ will submit regular consolidated reports to the PCMU on PFI performance, disbursement progress, portfolio quality, and key indicators, including sex- and age-disaggregated data and geographic/subsector outreach.

ACC responsibilities will be as follows:

- ACC will directly implement Activity 2.1.1 – Microloan credit line – aimed at serving rural microenterprises and low-income borrowers.
- ACC will appoint a dedicated focal point to manage all project-related activities and liaise with the REGEPCMU. The focal point will ensure proper documentation, loan tracking, and compliance with project objectives, including gender and youth inclusion, geographic and subsector outreach, and financial reporting.
- ACC will lend directly to end beneficiaries and will be fully responsible for the administration of microloans, including loan origination, disbursement, monitoring, and recovery.
- ACC will constitute a Credit Committee to review and approve loan applications from loan applicants under the microloan credit line. This committee will include a representative from the PCMU of REGEPU to ensure alignment with project objectives.
- As the primary financial intermediary and the authority responsible for loan approval and management, ACC must ensure that its ESMS is fully aligned with IFAD's safeguard standards. This alignment is essential to guarantee effective screening, categorization, and management of environmental and social risks associated with loan operations. To support this process, a draft Environmental and Social Action Plan (ESAP), detailing proposed measures, is provided in Annex 3 of the ESMP. The final version of the ESAP will be annexed to the official agreement between JEDCO and ACC.
- ACC will only disburse funds to PFIs following formal approval of loan requests by the REGEPCMU.
- ACC will submit regular consolidated reports to the PCMU on the credit line performance, disbursement progress, portfolio quality, loan focus, and key indicators, including sex- and age-disaggregated data and geographic/subsector outreach.
- ACC will participate in project-supported training and integrate agriculture-relevant financial products (e.g., seasonal loans, tech maps).
- ACC will also participate in regular coordination meetings with the PCMU and CBJ to ensure harmonized implementation, data exchange, and performance monitoring across the two credit lines.
- ACC will commit to collaborate with the licensed credit bureau(s) to regularly share and check credit information on the project borrowers in order to prevent borrower over-indebtedness and ensure responsible lending.

PFI eligibility criteria. The selection of PFIs for the SME and microloan credit lines will be based on specific eligibility criteria to ensure that only capable, financially sound and committed financial institutions are involved in the project. These criteria will be applied uniformly across all PFIs.

ACC will also undergo due diligence. The due diligence process for ACC will be conducted by the Islamic Development Bank (IsDB) to ensure alignment with project standards and financial soundness.

#	Criterion	Description
1	Regulatory status	Licensed by the Central Bank of Jordan (CBJ) and in good standing with regulatory authorities.
2	Financial soundness	Compliance with all regulatory standards, including adequate capital adequacy ratios, acceptable non-performing loans (NPL) levels, and audited financial statements for the last 3 years.
3	SME lending experience	Demonstrated track record in SME lending with dedicated staff or units and adequate credit assessment systems.
4	Agricultural lending readiness	Existing or potential capacity to engage in agricultural lending, including openness to adjusting risk policies and loan terms to agricultural cycles.
5	Geographic outreach	Operational presence in rural areas or demonstrated capacity and plans to expand rural outreach.
6	Financial inclusion commitment	Willingness and capacity to target underserved groups, including women and youth; readiness to apply flexible lending practices (e.g., alternative collateral).
7	Data and reporting capacity	Ability to disaggregate and report loan data (e.g., by gender, location, sector); functional management information system (MIS) in place.
8	Technical assistance engagement	Commitment to participate in project-supported training and integrate agriculture-relevant financial products (e.g., seasonal loans, tech maps).
9	Environmental and social management system	Commitment to elaborate and/or enhance and apply environmental and social due diligence to loans selection procedure with differential review approach according to type, amount, and scope of loans

Borrower eligibility and lending activities guidance. To ensure that the project reaches its intended beneficiaries and promotes inclusive economic growth, specific eligibility criteria and lending guidelines will be established for borrowers and PFIs/ACC. These guidelines will outline the key requirements for individuals and businesses to qualify for financing under the SME and microloan facilities, as well as the terms and conditions of the loans. These borrower eligibility criteria and lending activities guidance will be incorporated into the Project Implementation Agreements and Subsidiary Loan Agreements, ensuring consistency and clarity in the application of project standards.

#	Criterion	Description
1	Targeting criteria	<i>Lending activities</i>

		- Rural microentrepreneurs, with a focus on youth and women under the age of 50, demonstrating the potential for productive use of project loans in agriculture, seeking to expand small-scale income-generating activities, with a willingness to adopt improved practices for climate resilience, organic production, and water efficiency. - Small and medium-sized enterprises (SMEs) with the capacity to create jobs, integrate smaller actors into agricultural value chains, and adopt modern technologies that enhance sustainability and productivity. - Women borrowers: at least 30% - Youth borrowers: at least 40% <i>Financial literacy activities</i> - Borrowers of project loan funds as well as Component 1 beneficiaries
2	Target enterprises	Microenterprise: The enterprise whose total assets or annual sales/revenues is less than (100,000) JOD, and the number of employees is less than (5) employees. Small enterprise: A small enterprise has assets or annual sales/revenues that are lower than JOD 1 million and the number of employees between 5 and 20 employees; and is not a public shareholding company, insurance, or financial brokerage company. Medium enterprise: A medium-sized enterprise has assets or annual sales/revenues between JOD 1 to 3 million and the number of employees between 21 and 100.¹³
3	Target regions	The lending activities will be implemented in all governorates.
4	Target value chains	Both credit lines: Water-efficient, climate-resilient, and/or organic target crops tailored for Jordan's arid lands – resilient under scarce water conditions while supporting sustainable local food systems (refer to Component 1 for details). Microloan credit line: Up to 30% of the microloan credit line can be invested in livestock-related value chains.
5	Loan purpose	All activities across the agricultural value chains that enter into the manufacturing and transportation of the product from the farm to the consumer's table, starting from: providing production inputs – agricultural operations on the farm – preparing and processing the product (post-harvest transactions) – transfer/distribution (central markets, wholesale

¹³ Source: National Financial Inclusion Strategy of Jordan 2023-2028. <https://www.afi-global.org/wp-content/uploads/2024/10/National-Financial-Inclusion-Strategy-2023-2028.pdf>

		markets, exporters) – retail markets – consumer. These may include but are not limited to: • Activities related to agricultural production (cold storage facilities with renewable energy, greenhouses, water efficient irrigation systems and fertilization with irrigation, seeds, fertilizers, pesticides, etc.) • Activities related to processing and manufacturing (distillation of oils from medicinal and aromatic plants, soap and tea production, packaging equipment, warehouses, etc.). • Rural household projects (drying vegetables and fruits, pickles, making jams and vinegar, etc.). • Purchasing small refrigerator transportation means for use in transporting agricultural products or contracting with a means for transportation purposes or technologies to reduce post-harvest loss • Projects with potential improvement in natural resource management (e.g. organic farming) • Project contributing to water efficiency and lower consumption contributing to climate change adaptation or mitigation (e.g. micro and macro catchment construction water saving technologies, rainwater harvesting infrastructure, hydroponic).
6	Ineligible purposes	• All activities prohibited by national laws and regulations • All activities included in IFAD's exclusion list (see Annex 6 of the ESMP) • All activities included in REGEP UP exclusion list (see Annex 7 of the ESMP), i.e. activities that are at high and substantial risks
7	Loan amount	SME credit line: up to JOD 100,000 Microloan credit line: up to JOD 10,000
8	Loan currency	Jordanian Dinars (JOD), except for circumstances in which MSMEs request foreign currency loans for export or re-export in accordance with the CBJ on foreign currency loans.
9	Loan term, grace period and repayment schedule	Will be determined by PFIs and ACC in line with their internal lending policies and risk assessment procedures. Wherever feasible, these terms should be tailored to reflect the business cycle and cash flow patterns of agricultural enterprises.
10	Interest rates	Will be determined by the Government of Jordan, CBJ and ACC.
11	Commissions	Loan commissions will not be charged to the project loan beneficiaries.
12	Beneficiaries' contributions	Borrowers financed with project funding will provide at least 20% co-funding of their bank loan projects and 10% for ACC loans. These contributions will be explicitly stated in the loan applications prepared by

		PFIs and ACC and presented at the Credit Committee. The loan applications indicating beneficiaries' contributions, confirmed by the PFIs/ACC, will serve as documents verifying beneficiaries' contributions.
13	Revolving funds	Any loan funds repaid to PFIs or ACC will be treated as revolving funds, to be reused for the same purposes under the same lending guidelines, and must be reported separately from the original disbursements.
14	Loan portfolio quality	The total share of loans past due over 30 days and rescheduled loans should be below 5% of portfolio outstanding (under normal, non-force majeure circumstances).
15	PFI and ACC reporting requirements	• Indicate whether it is new/existing client • Amount disbursed broken down by region, gender, youth/non-youth, loan purpose, subsector, enterprise type (micro/SME) • Balance of the portfolio outstanding • Portfolio at Risk (PAR) over 30 days (amount and % of total portfolio outstanding), including: ◦ Balance of loans in arrears over 30 days (amount and % of total portfolio) ◦ Balance of loans rescheduled (amount and % of total portfolio) • Loans written off during period (amount and % of total portfolio)

Definitions of select key indicators. Below are definitions of select key indicators for PFIs and ACC, drawn from the IFAD Decision Tools for Rural Finance (2010),¹⁴ to support consistent monitoring and performance assessment. In addition, JEDCO M&E Unit will suggest a loan categorization approach and harmonized tagging system to allow more granular classification of loans based on focus and activity.

¹⁴ <https://www.ifad.org/en/w/publications/ifad-decision-tools-for-rural-finan-1>

Indicator	Unit	Definition/calculation	What it measures	Interpretation
Outreach				
1. Total number of active borrowers	Number	Total number of individuals who currently have an outstanding loan balance with the FSP as of 31 December of that year ^a	Number of people the FSP reaches with loans	Compare this with the number of potential borrowers in the market
2. Total number of active women borrowers	Number and percentage	Total number of women who currently have an outstanding loan balance with the FSP as of 31 December of that year ^a	Number of women the FSP reaches with loans	Compare this with the number of potential women borrowers in the market
3. Total value of gross loan portfolio	US\$	Total outstanding principal of all outstanding loans ^a - Includes all loans – current and non-current - Excludes non-microfinance loans, interest receivable and loans that have been written off	Total value of loans made by the FSP at a certain time	Compare this with the total estimated demand for microcredit in the market
8. Active borrowers/ Staff members	Number	$\frac{\text{Number of active borrowers}}{\text{Number of staff members}}$	- Productivity - Overall staff productivity of an FSP	The higher the number, the more productive and efficient the FSP Target: Depends on the region and the model Sector median: 100 Trouble: Depends on the region and the model
9. Portfolio at risk > 30 days (PAR)	Percentage	$\frac{\text{Outstanding balance of all loans with a payment over 30 days late}}{\text{Gross loan portfolio}}$ Value of outstanding loans that have an instalment past due by more than 30 days, as a percentage of the value of the entire portfolio of all outstanding loans Include the outstanding value of all renegotiated loans, including rescheduled and refinanced loans, because they have higher than normal risk, especially if a payment is missed after renegotiation	- Risk - Risk of the loan portfolio of an FSP	The lower the percentage, the healthier, less risky the loan portfolio Target: Less than 5% Sector median: 3.1% Trouble: More than 10%

Sequencing of activities. The following sequence outlines the key preparatory and implementation steps required to operationalize the subcomponent, ensuring that all institutional, technical, and procedural arrangements are in place before lending activities commence.

Step A: The project signs Loan Implementation Agreements with implementing partners – CBJ and ACC – ensuring that borrower eligibility criteria and lending guidance are fully incorporated.

Step B: CBJ conducts the selection of PFIs based on agreed eligibility criteria and signs Subsidiary Loan Agreements with each, including the same borrower criteria and implementation guidance.

Step C: ACC prepares for lending activities by setting up its loan tracking and monitoring systems to align with project lending guidelines.

Step D: Both CBJ and ACC establish Credit Committees, with representation from the PCMU, and develop internal procedures for loan approval and disbursement.

Step E: PCMU signs a non-binding MoU with JLGC, informing it of the PFIs participating in the project and potentially eligible for loan guarantees.

Step F: In parallel, the RF Specialist initiates the development and delivery of TA to PFIs and ACC to strengthen their capacity to deliver agriculture-sensitive financial products.

Step G: PCMU establishes a mechanism to collect agricultural enterprise data from Component 1 and shares relevant information with PFIs through their designated focal points, providing market intelligence without imposing lending obligations on PFIs.

Step H: Following the delivery of TA and operational setup, lending activities begin in Year 2 of the project.

Step I: Regular monitoring of component performance is carried out by the PCMU to ensure alignment with project objectives and timely reporting.

Subcomponent 2.2 Strengthened technical capacity of PFIs

Description of activities. The subcomponent involves the provision of targeted technical assistance (TA) to Participating Financial Institutions (PFIs) to strengthen their capacity for agricultural lending. The PFIs currently lack the specialized knowledge and tools required to effectively serve the agricultural sector. Through this TA, PFIs will be trained to analyze agricultural businesses, apply appropriate risk management strategies, and tailor loan products to fit sector-specific needs – such as seasonal repayment schedules, grace periods, and alternative forms of collateral. A key component will be the development and use of “technological maps” (tech maps), which provide standardized, sector-specific guidelines for assessing and monitoring different types of agricultural enterprises.

Building on this foundation, PFIs will develop the internal capacity to design and implement tailored financial products that reflect the specific characteristics and seasonality of agricultural businesses. These tailored products will then be integrated into the PFIs’ standard loan approval and risk assessment policies, ensuring that agricultural lending is not only more accessible but also more sustainable. This approach will contribute

to mitigating credit risks associated with agricultural lending, improving loan portfolio quality, and ultimately expanding financial inclusion for rural and agricultural clients.

Implementation modalities. For the implementation of this subcomponent, a service provider will be hired to deliver the required technical assistance and capacity building to PFIs (including ACC). The service provider responsibilities will include:

- Based on a needs assessment conducted under the previous project – REGEP, design and deliver tailored training modules for PFI staff on the analysis of agricultural businesses, including cash flow assessment, sector-specific risks, and client profiling.
- Support PFIs in applying appropriate risk management strategies and adapting lending procedures to agricultural contexts, including the use of seasonal repayment schedules, grace periods, and non-traditional forms of collateral.
- Develop and introduce “technological maps” (tech maps) that provide standardized, crop- or enterprise-specific guidance for assessing, monitoring, and financing agricultural activities.
- Assist PFIs in integrating agri-specific lending tools and practices into their internal policies, loan approval processes, and risk assessment frameworks.
- Provide hands-on support and follow-up advisory services to ensure sustained adoption and internalization of new tools and approaches (including, potentially, automation of the developed solution).
- Report regularly to the PCMU on progress, challenges, and recommendations for further institutional strengthening.

Sequencing of activities. The following steps outline the sequencing of activities required for the effective implementation of the subcomponent aimed at building the capacity of PFIs for agricultural lending.

Step A: PCMU develop Terms of Reference (TORs) for the service provider, specifying the scope of work, deliverables, and implementation approach for strengthening agricultural lending capacity among PFIs.

Step B: Consider initiating sole-source procurement of the International Finance Corporation (IFC) as the service provider. Justification for sole sourcing includes IFC’s proprietary CLARA (Cash Flow Linked Agricultural Risk Assessment) tool, which has a proven track record in several countries and was successfully implemented in an IFAD-financed project in Uzbekistan with eight PFIs. As Jordan and Uzbekistan have been enhancing trade and development cooperation, in 2024, REGEP facilitated a study tour for Jordanian bankers and MFI managers to Uzbekistan, where the CLARA tool was presented – further supporting this South-South cooperation.

Step C: Following contracting, the service provider will implement the TA plan in phases:

Step C1: Develop and adapt sector-specific technological maps (tech maps) for key agricultural value chains in Jordan to serve as a standardized tool for risk assessment and loan appraisal.

Step C2: Support the development of tailored agricultural loan products that reflect the specific needs, seasonality, and cash flows of different agri-enterprises.

Step C3: Deliver structured training sessions and coaching to PFI staff on the use of tech maps and the CLARA tool for agri-business assessment, product delivery, and risk management.

Step C4: Assist PFIs in integrating the tools and methodologies into their internal lending procedures, policies, and credit assessment frameworks.

Step C5: Explore the potential for automating components of the assessment and decision-making process using digital solutions to enhance efficiency, consistency, and scalability.

Step D: Once institutional integration and capacity building are completed, PFIs begin lending based on the new procedures, tools, and products developed through the TA process.

Step E: Monitor and evaluate the impact of the technical assistance, including the uptake of tools and methodologies by PFIs, changes in agri-lending volume and quality, and overall contribution to improved financial inclusion and portfolio performance.

Subcomponent 2.3 Improved financial literacy among rural residents

Description of activities. The subcomponent focuses on enhancing financial literacy among rural populations, particularly women and youth. The project will develop financial literacy materials based on the G20/OECD INFE Core Competencies Framework for Adults¹⁵ tailored to the Jordanian context to ensure relevance and cultural appropriateness. A training of trainers (ToT) program will be implemented to equip local facilitators who will then lead community-based financial education sessions.

Innovative delivery methods will be employed, including the use of “teachable moments” – opportune situations within daily life or other project activities – to effectively convey financial education messages. With respect to financial products, the content will cover both conventional and Islamic finance. Other subcomponents of the project will serve as platforms for outreach, ensuring integrated and widespread access to knowledge of all project beneficiaries. In collaboration with CBJ and other sector stakeholders, key materials will also be published, extending access and reinforcing the project’s national impact.

Implementation modalities. This activity will be implemented through a service provider, who will be in charge of the full delivery of financial literacy interventions under the subcomponent. Specifically, the service provider will be responsible for:

- Conducting a mapping study to identify existing financial literacy initiatives and gaps to ensure the complementarity of the project interventions.
- Designing financial literacy materials based on the G20/OECD INFE Core Competencies Framework for Adults, tailored to the Jordanian context.
- Developing a detailed rollout plan for financial literacy activities in coordination with project partners and other relevant stakeholders.
- Developing and delivering a Training of Trainers (ToT) program for local facilitators.
- Coordinating with other project subcomponents to integrate financial education outreach.
- Supporting the implementation of community-based financial education sessions.
- Applying innovative delivery methods, including the use of “teachable moments”.
- Collaborating with CBJ and other stakeholders to deliver, publish and disseminate materials nationally.

¹⁵ <https://www.gpfi.org/sites/default/files/documents/Core-Competencies-Framework-Adults.pdf>

- Developing an M&E framework and tools early in the process to monitor implementation and assess impacts.
- Monitoring and reporting on implementation progress and outreach results.

Sequencing of activities. The financial literacy subcomponent will be implemented through a phased approach to ensure effectiveness, relevance, and alignment with stakeholder efforts. The sequence of activities will be as follows:

Step A: PCMU prepares Terms of Reference (TOR) for the service provider and initiates a call for proposals, defining the scope, deliverables, coordination requirements, and evaluation criteria.

Step B: Contracting of the selected service provider following competitive procurement procedures in accordance with IFAD and national guidelines.

Step C: Following contracting, the service provider executes the assignment in coordinated phases to ensure contextual relevance and alignment with project objectives.

Step C1: Mapping study: Conduct a landscape analysis of existing financial literacy initiatives in Jordan, identify gaps, assess target group needs (especially women and youth), and ensure complementarity with ongoing programs.

Step C2: Rollout plan development: Prepare a detailed implementation plan in coordination with PCMU, CBJ, local stakeholders, and relevant partners; define timelines, delivery channels, and geographic targeting.

Step C3: Monitoring and evaluation framework: Early on, design and implement an M&E framework with tools and indicators to track implementation progress, measure reach and impact on knowledge, attitudes, and behaviors of the financial literacy interventions.

Step C4: Design of materials: Develop financial literacy materials aligned with the G20/OECD INFE Core Competencies Framework and adapted to the Jordanian rural context; ensure materials are gender-sensitive and culturally appropriate.

Step C5: Training of Trainers (ToT): Select and train local facilitators who will deliver the sessions at the community level using participatory and practical methodologies.

Step C6: Rollout of financial literacy interventions: Deliver community-based sessions using project platforms (e.g. value chain groups, PFI touchpoints) and innovative delivery methods like "teachable moments." Ensure broad outreach in rural and underserved areas.

Step D: Impact evaluation: Conduct an impact evaluation of the financial literacy interventions, measuring changes in knowledge, behavior, and financial decision-making among participants. Use the results to inform potential adjustments to content, delivery methods, and outreach strategies.

Step E: Dissemination and publication: Publish key materials and resources online (e.g., through CBJ and project channels), share results with stakeholders, and promote nationwide access to content and lessons learned.

Main risks and mitigation

Subcomponent 2.1. Improved access to finance for MSMEs. One of the key risks associated with the subcomponent is low uptake by target beneficiaries, driven by risk aversion, lack of awareness, or limited collateral. PFIs may also demonstrate low engagement in agricultural lending due to internal policy constraints or weak incentives (such as high interest rates on project funding). Delays in loan processing may occur if procedures are unclear or overly complex. The risk of over-indebtedness is also present, particularly if coordination among PFIs and ACC is weak. To mitigate these risks, borrower eligibility criteria and lending guidance have been clearly defined and will be integrated into project agreements. Loan terms will be adapted to agricultural business cycles, with flexible repayment schedules and grace periods. PFIs and ACC will designate focal points to support coordination and implementation. All institutions will be required to check and share credit data to help prevent over-indebtedness. Loan guarantees through the JLGC will help reduce risk perception among PFIs and support outreach to underserved segments.

As ACC is a government agency not under the CBJ supervision, a key risk is that its internal systems, procedures, and reporting formats may not be aligned with the project's requirements. This misalignment could affect the quality and consistency of data, delay implementation, or lead to non-compliance with agreed lending guidance. To address this, ACC will receive targeted technical assistance through the IsDB to align its loan tracking and monitoring systems, financial reporting, and credit procedures with the project framework. ACC will also appoint a focal point and participate in joint capacity building efforts under the project.

Subcomponent 2.2. Strengthened technical capacity of PFIs. The main risks under this subcomponent include low absorption capacity of PFIs, resistance to internal changes, or limited follow-through in applying new tools. These risks may be exacerbated by staff turnover or lack of management buy-in. To mitigate this, the technical assistance will engage PFIs from the outset and build ownership at the management level. Tools such as technological maps and cash flow-based assessment methodologies will be introduced and customized to local realities. Training will be delivered ahead of lending timelines and include support for integrating new tools into existing credit policies.

A potential risk is that IFC may ultimately be unavailable or unable to engage within the required time frame for the delivery of technical assistance. In such a case, the project will mitigate this risk by procuring a service provider with demonstrated experience in agricultural lending, particularly in contexts comparable to Jordan. Providers who have successfully implemented similar technical assistance in countries such as Kyrgyzstan and Moldova (where IFAD has projects with successful credit lines) will be considered. This will ensure continuity and quality in delivering the intended capacity-building support to PFIs, even in the absence of IFC.

Subcomponent 2.3. Improved financial literacy among rural populations. Risks related to financial literacy include low participation – especially from women and youth – and limited application of knowledge in practice. Geographic or cultural barriers, weak coordination with national initiatives, and inadequate monitoring could also constrain results. To mitigate these risks, a mapping study will be conducted to identify gaps and overlaps, ensuring coordination with stakeholders and other financial education programs. The service provider will develop culturally relevant materials based on international standards and implement a training-of-trainers model to extend reach. Delivery will be embedded into other project activities using “teachable moments” to increase effectiveness. An M&E framework and tools will be developed early on to assess impact and guide adaptive improvements throughout implementation.

Phasing and implementation plan for Component 2.2

Activity/task	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Subcomponent 2.1 – Improved access to finance for MSMEs						
Step A: The project signs Loan Implementation Agreements with implementing partners – CBJ and ACC						
Step B: CBJ conducts the selection of PFIs						
Step C: ACC prepares for lending activities by setting up its loan tracking and monitoring systems						
Step D: Both CBJ and ACC establish Credit Committees, with representation from the PCMU, and develop internal procedures for loan approval and disbursement						
Step E: PCMU signs a non-binding MoU with JLGC, informing it of the PFIs participating in the project and potentially eligible for loan guarantees.						
Step F: In parallel, the RF Specialist initiates the development and delivery of TA to PFIs and ACC to strengthen their capacity to deliver agriculture-sensitive financial products (see Subcomponent 2.2)						
Step G: PCMU establishes a mechanism to collect agricultural enterprise data from Component 1 and shares relevant information with PFIs through their designated focal points						
Step H: Following the delivery of TA and operational setup, lending activities begin in Year 2 of the project						
Step I: Regular monitoring of component performance is carried out by the PCMU						
Subcomponent 2.2 – Strengthened technical capacity of PFIs						
Step A: PCMU develop Terms of Reference (TORs) for the service provider						
Step B: Recruit service provider						
Step C: Service provider implements the TA plan:						

Step C1: Develop and adapt tech maps						
Step C2: Support the development of agricultural loan products						
Step C3: Deliver structured training and coaching to PFI						
Step C4: Assist PFIs in integrating the tools and methodologies						
Step C5: Explore the potential for automating the approach						
Step D: PFIs begin lending (see Subcomponent 2.1)						
Step E: Monitor and evaluate the impact of TA						
Subcomponent 2.3 – Improved financial literacy among rural residents						
Step A: PCMU prepares Terms of Reference (TOR) for the service provider and initiates a call for proposals						
Step B: Contracting of the selected service provider following competitive procurement procedures						
Step C: Service provider executes the assignment						
Step C1: Mapping study						
Step C2: Rollout plan development						
Step C3: Monitoring and evaluation framework						
Step C4: Design of materials						
Step C5: Training of Trainers (ToT)						

Step C6: Rollout of financial literacy interventions						
Step D: Impact evaluation: Conduct an impact evaluation of the financial literacy interventions						
Step E: Dissemination and publication						

Sustainability and exit strategy

The Inclusive Rural Access to Finance subcomponent has been designed with built-in mechanisms to ensure sustainability, potential for scaling up, and a clear exit strategy. By providing SME loans on commercial terms via banks, the project will avoid market distortion and encourage long-term commitment from PFIs. As PFIs gain practical experience and confidence in agricultural lending, they are expected to allocate their own resources to the sector, thus reducing reliance on project funding. The microloan credit line will be placed with an existing agricultural lending entity, ACC, which will ensure its continuity and accessibility to rural microenterprises.

The tailored technical assistance to PFIs, combined with training and tools such as technological maps, will embed essential agri-finance know-how within the institutions, ensuring the knowledge remains in the sector beyond the project's duration.

The financial literacy activities will not only support responsible borrowing and improved financial decision-making among target groups, but will also be accessible to a wider audience to help reinforce financial capability.

Provisions and administrative arrangements to ensure sustainability of credit facilities at project completion are further detailed in Section 6 – Financial management.

Alignment with IFAD mainstreaming themes

The project has been designed to align strongly with IFAD's mainstreaming priorities and to deliver transformative results in key thematic areas.

Youth sensitivity. The project places a strategic focus on improving the economic inclusion of rural youth through enhanced access to finance and capacity building. Young smallholders will be among the primary target groups for both SME and microloan credit lines. Financial literacy activities will specifically address the needs of youth, using tailored delivery methods and content to strengthen their financial capabilities.

Nutrition sensitivity. The component contributes to nutrition sensitivity by facilitating access to finance for investments that support local food production, processing, and distribution. By enabling smallholder farmers and agricultural SME enterprises to grow and improve productivity, the project indirectly enhances the availability and affordability of nutritious food in rural areas. Targeted support for women-led and youth-led enterprises in food-related value chains will further strengthen these outcomes.

Gender transformation. Women will be prioritized in the outreach and delivery of both credit and financial literacy activities. Products and procedures will be adapted to account for women's asset ownership patterns and social roles. The component will promote women's decision-making power in financial matters through tailored financial education and inclusive lending mechanisms. Gender-disaggregated monitoring will help ensure that outcomes are equitable and responsive.

Climate finance. The component integrates climate considerations by promoting financial access for investments that enhance climate resilience in agriculture. Borrower eligibility and loan use guidance will exclude environmentally harmful or water-intensive investments and favor loans that promote resource efficiency, water and soil health, sustainable land management, climate smart technologies and renewable energies. Financial institutions will be supported in identifying and managing climate-related risks in agricultural lending, and borrowers will be incentivized to adopt climate-adapted practices through access to appropriately designed loan products.

4 PROJECT MANAGEMENT AND COORDINATION

Organizational structure

Lead project agency and Lead implementing agency: According to the agreement established between the Government of the Hashemite Kingdom of Jordan and the management of the International Fund for Agricultural Development (IFAD), the Lead Project Agency shall be the Ministry of Planning and International Cooperation (MOPIC) through JEDCO Lead Implementing Agency.

Implementing Arrangements and Staff Responsibilities. The Lead Project Agency is JEDCO. The Project Management and Coordination Unit (PMCU) at JEDCO's headquarters in Amman will have overall responsibility for project implementation. Actual implementation will largely be contracted out to implementation partners, including CBJ, ACC, NGOs, and service providers. With regard to targeting the most important partner will be a national NGO contracted to implement activities related to saving and credit groups and associations, to provide support to farmers and others to establish value chain linkages, and to provide guidance and oversight on targeting for activities implemented by CBJ and CBB in particular, including assisting NGOs in mobilising poorer farmers to participate in capacity development and for CBJ in ensuring poor rural households have access to financial services. Mechanisms for community engagement will include meetings, committees, and engagement with existing community associations, NGOs, local leaders, private companies and others.

Field Staff. Past experiences from REGEEP have shown that effective outreach workers/field teams are essential in identifying and empowering poor and vulnerable beneficiaries. Under the REGEP UP, the function of outreach to the target group will largely be the responsibility of the contracted national NGO. Selection of the national NGO is detailed below, in the note below related to implementing partners' role.

Project Management

REGEP-UP will engage the assistance of specialised technical service providers and international and national consultants, as required, to accomplish the effective and efficient execution of the project's components and lines of action. All sub-contracted services will be procured in accordance with established financial management and procurement best practices and IFAD guidelines.

298. The Project Management and Coordination Unit team under JEDCO will be staffed based on competitive recruitment procedures, gender equality considerations, and according to their educational/professional profile and their expertise and capability to perform the expected roles and responsibilities.

299. The PMCU will include the following staff:

Project management:

Project Manager

Finance coordinator

Value Chain Specialist

M&E Officer

Procurement officer

Accountant senior

Administrative assistant.

Further competencies may be recruited on a case-by-case basis, depending on the Level of Effort requested at certain key periods of the Project (e.g., Rural Finance Consultant to support the Rural Finance Specialist), as well as additional requests from the new cofinancers IsDB and UN Women.

The project has also allocated resources in its budget for the hiring trainers and technical experts for field activities (c.f. Costab tables).

JEDCO selects and appoints all staff through a competitive process, subject to IFAD's No Objection. The Project Manager shall report to the CEO, JEDCO. Recruitment will involve the review and No-objection Letter (NOL) of the terms of reference on the part of IFAD; and, similarly, selection of suitable candidates and request of IFAD NOL. Engagement of qualified/ experienced women professionals will be actively sought in this process and selection.

Performance-based contracts will be issued as a principle for all recruitments and contracted personnel to assure that staff performance is incentivised to perform to high professional standards. Staff recruitment, management and individual annual performance review will be conducted with a view to promote: (a) the career development and professional advancement of all personnel associated to the project; and (b) their active engagement and commitment towards the goals/ objectives of the Project.

Terms of reference for key project staff

The detailed terms of reference for each of the members of the Project Implementation Unit, and their expected professional qualifications, are presented in the attached Section 9. Component specific staff are mentioned under the respective areas.

Implementation responsibilities

The PMCU will be responsible for overall management, coordination and monitoring of project implementation including: (i) finalising the Project Implementation Manual; (ii) compiling Annual Work Plans and Budgets (AWPBs) for submission to the PSC; (iii) financial management (managing the project's Designated Account, disbursement, preparation of withdrawal applications); (iv) procurement, contracting and contract management; (v) ensuring the project benefits reach the target group; (vi) monitoring and evaluation, progress reporting on project implementation, and knowledge management; (vii) organising the annual project audit; (viii) coordination and liaison with the Government and other implementing partners and IFAD. Provisions will be made for studies, surveys and technical support for design and installation of the project M&E system to monitor project implementation and assess impact.

The main national institutions of relevance for project implementation include Ministry of Planning and International Cooperation (MOPIC), the Ministry of Agriculture (MOA), together with the ACC, Jordan Enterprise Development Corporation (JEDCO), the Central Bank of Jordan (CBJ), the wide range of MFIs that exist in Jordan with many good candidates for supporting the implementation of REGEP-UP.

306. The management of the REGEP-UP will be under the overall the responsibility of the MOPIC whilst JEDCO will execute the Project's activities as the Implementing Agency. Furthermore, pre-selected implementing partners for outsourced activities are CBJ and ACC, for management of delivery of financial services.

307. The majority of implementation will be outsourced to implementing partners and qualified service providers. The PMCU will ensure the timely establishment agreements between JEDCO and Implementing Partners including: (i) clear Project Implementation Agreements with each of the main Project Parties (CBJ, ACC, NGOs) detailing their duties and responsibilities with respect to the Project; and (ii) a Subsidiary Loan Agreement between MOPIC, ACC and CBJ for the financing of the Rural Finance Fund.

Specific management governance of the inclusive rural finance component: The management of the Inclusive Rural Finance component will be overseen by a dedicated Rural Finance (RF) Specialist within the PCMU. This specialist will be responsible for the overall coordination and implementation of the subcomponent, including ensuring the timely disbursement of funds, monitoring progress against agreed targets and indicators, and maintaining regular communication with implementing partners, PFIs, and other stakeholders. The RF specialist will also play a key role in facilitating technical assistance delivery, supporting integration of the products and solutions developed, and ensuring that lessons learned and best practices are captured and disseminated. To ensure effective implementation, additional specialists may be engaged on a part-time basis to support the RF Specialist in specific technical or operational areas. The RF specialist will report to the PCMU director.

For the Inclusive Rural Finance component, CBJ will serve as a primary implementing partner, responsible for overseeing the selection and due diligence of PFIs, signing subsidiary loan agreements, monitoring the disbursements of the SME credit line, and ensuring data collection and performance tracking of PFI lending activities under the project. In its turn, ACC will manage and oversee the disbursement and performance of the microloan credit line.

In addition, the project is expected to formalize cooperation with the JLGC through a Memorandum of Understanding (MOU). Under this arrangement, the project will share information about participating PFIs, enabling them to apply for loan guarantees on project-funded loans, thereby reducing credit risk and encouraging broader outreach in the agricultural sector.

For the financial literacy activities, the project will collaborate with a range of stakeholders engaged in financial education, including CBJ, and will leverage the branch networks of existing stakeholders, such as the Development and Employment Fund (DEF) and the ACC to support wide-scale dissemination and outreach in rural and remote areas.

Specific management for Policy Engagement

The REGEP-UP project incorporates a focused Country-Level Policy Engagement (CLPE) function designed to support national policy processes in food security and sustainable agriculture. This function will be embedded within the Project Management and Coordination Unit (PMCU) at JEDCO, and implemented under the leadership of a Policy Engagement and Knowledge Management Officer, who will be recruited during the project's start-up phase.

This officer will report to the Project Manager and coordinate closely with other PMCU staff, particularly the Monitoring and Evaluation (M&E) Officer, the Gender and Youth Inclusion Officer, and the Value Chain Development Specialists. This coordination will ensure that evidence generated from field-level interventions—including targeting, training, financial inclusion, and value chain strengthening—is translated into policy-relevant knowledge and made available to national partners.

The Policy Engagement and Knowledge Management Officer will be responsible for:

- Leading REGEP-UP's contributions to the mid-term review of the National Food Security Strategy (NFSS 2021–2030) and the development of the successor to the National Plan for Sustainable Agriculture (NPSA 2020–2025);
- Drafting technical notes and policy briefs in collaboration with technical staff, consultants, and implementing partners;
- Coordinating the preparation and dissemination of knowledge products, including learning briefs, videos, and summaries of field evidence;

- Representing the project in technical discussions convened by the Higher Council for Food Security (HCFS) and relevant ministries;
- Organizing policy roundtables, stakeholder consultations, and joint learning events, as specified in the CLPE plan (Annex 1
- 1).

Strategic oversight of CLPE will remain under the authority of the Project Steering Committee (PSC), chaired by the Ministry of Planning and International Cooperation (MoPIC), with guidance from the Ministry of Agriculture. The PMCU will submit an annual CLPE work plan and progress reports to the PSC for review and endorsement. The work plan will align activities and deliverables with the NFSS review timeline and the NPSA policy cycle to ensure timely and relevant engagement.

To promote national ownership and sustainability, REGEP-UP's policy engagement efforts will not create parallel structures but will instead strengthen the capacities of existing platforms, particularly the HCFS Secretariat. Technical assistance may be provided to the HCFS to support the organization of policy consultations and integration of project data into the national Food Security Information System. Furthermore, the project will maintain regular communication with key institutions such as NARC, FAO, WFP, and other partners contributing to national food systems governance.

A dedicated budget of USD 150,000 has been allocated for CLPE activities over the project period (see Annex 11), covering technical inputs, knowledge products, consultation events, and capacity support to the HCFS. Expenditures will be tracked and reported through the PMCU's financial management system under a specific policy engagement budget line.

The CLPE function within REGEP-UP will be pragmatically managed by the designated Policy Engagement and Knowledge Management Officer, with clear institutional anchoring, strong technical coordination, and a focus on integrating project evidence into national food security and agricultural planning processes.

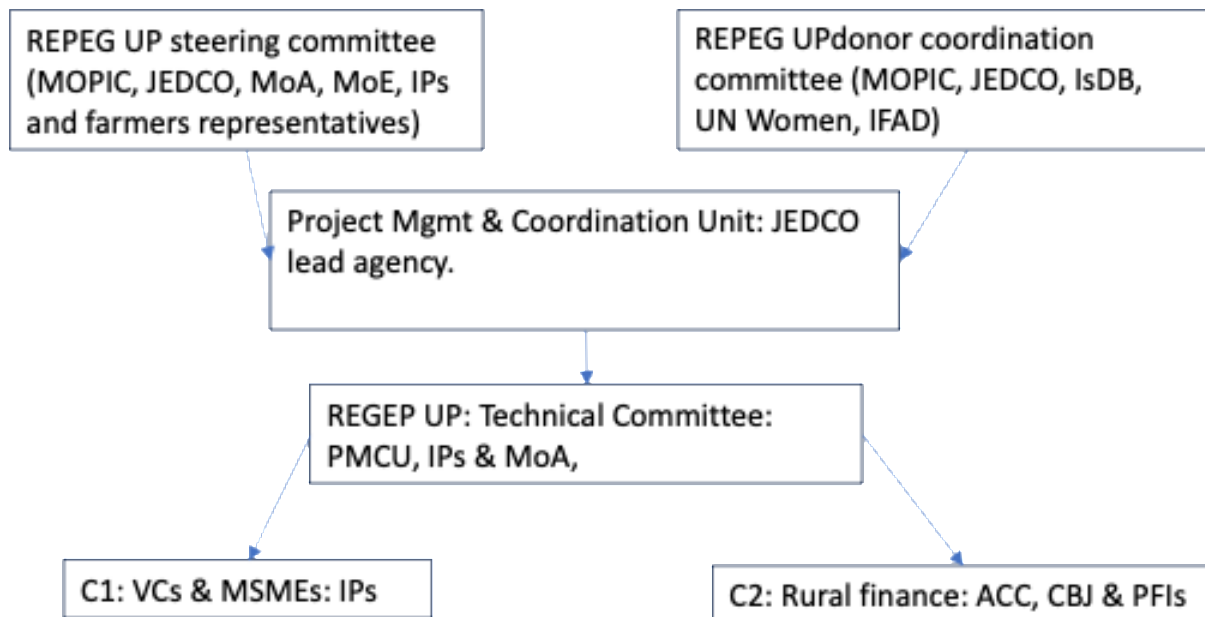
Project oversight and strategic guidance

The project has a Project Steering Committee (PSC) which meets quarterly, chaired by the Minister of MOPIC or his high level representative, and comprising of representatives of JEDCO, CBJ, ACC and agribusiness representatives (incl. farmers). The Project Manager will be the PSC secretary. The responsibilities of the PSC will include: (i) ensuring the project's activities are implemented in compliance with the Government's policies and the terms and conditions of the Loan documents; (ii) approving the consolidated project AWPB, (iii) ensuring the project interventions are well coordinated with other development programmes and projects; (iv) generally overseeing the implementation of the project; (v) guiding project implementation in policy and strategy matters. The PSC Chair will invite any other stakeholder to attend and contribute to PSC deliberations when discussing matters of relevance to them.

A development partners' coordination committee with also MOPIC and JEDCO will ensure aligned support from the three main external funders, i.e. IFAD, IsDB and UN Women, and also that the three partners coordination and share resources and inputs.

The project shall also have a Technical Committee, chaired by the Project Manager and composed of the PMCU staff and focal persons in CBJ, ACC, IPs, and MFIs partnering with CBJ. It will meet quarterly alternating between Amman and different locations in the project area so that meetings can be combined with field visits and meetings with beneficiaries. Regular meetings will also be organised between extension agents, NGO staff, MFI branch officers involved in the project.

REGEF-UP organogram.



Office infrastructure:

The PMCU will be located at JEDCO's headquarters in Amman, where it has a well-equipped office, with government willing to continue to the current arrangement including use of office space, IT equipment and furniture. Moreover, IsDB has also committed to financing additional furniture and vehicles, as well as contributing to office rent. This will allow for rapid commencement of REGEF-UP. In addition REGEF-UP will also have on a need basis, a regional office presence through temporary hired mobile field specialists providing satellite support functions and working closely with local partner offices. These outreach modalities will support last-mile delivery, allowing programme services and technical support to reach remote rural beneficiaries. This structure is designed to ensure both centralized oversight and decentralized engagement, which is crucial for capturing synergies and promoting adaptive management in diverse contexts.

IT and Management Systems: Significant investment is planned for robust digital infrastructure to support implementation and monitoring:

- Accounting Software: The programme will procure or update its accounting software (such as QuickBooks) to manage multi-donor funds and ensure real-time financial reporting. IsDB will fund off-the-shelf IT systems at a cost of US\$14,300.
- Monitoring & Evaluation Management Information System (M&E MIS): A custom-made, cloud-based M&E MIS will be developed at an estimated cost of US\$41,000 to digitalize data collection and management.
- M&E Equipment: The project will procure necessary M&E devices such as GPS and tablets for field data collection, with a budget of US\$2,400.

Resource availability for programme management:

The total estimated cost for REGEP-UP is US\$48.72 million over a six-year duration. This funding is a collaborative effort from multiple partners:

IFAD: US\$15.00 million (31% of total).

Islamic Development Bank (IsDB): US\$10.69 million (22% of total).

Agricultural Credit Corporation (ACC): US\$11.87 million (24% of total).

Beneficiaries: US\$6.57 million (14% of total).

Government of Jordan (GoJ): US\$0.60 million (1% of total, as taxes).

Financing Gap: A gap of US\$4.00 million (8% of total) remains, but ongoing negotiations with the Italian government (AICS) are promising.

Many of the above resource can be mobilised at project staff allowing for prefinancing of start-up activities. JEDCO is experienced in the procedures of both IFAD, IsDB and UN Women which will facilitate smooth start-up, building on the robust platform established under REGEP.

Partnerships and complementarities with other donor projects

Clearly IFAD's other project and its planned successor project, the **Small-Ruminants Investment and Graduating Households in Transition** – SIGHT project will be a key collaborative partners. The project is designed to empower Syrian refugees and local host communities through livelihood support interventions including access to financial services, vocational and entrepreneurial training in addition to job placement services for agricultural entrepreneurs. Interventions are customized based on detailed socio-economic assessments designed to promote resilience and self-reliance. The project is in collaboration with the National Agriculture Research Centre (NARC), the National Aid Fund (NAF), the Jordanian Hashemite Fund for Human Development (JOHOUD), and UNHCR in collaboration with relevant community-based organizations, and under the supervision of the Ministry of Agriculture. REGEP-UP will coordinate closely and also ensure that potential livestock beneficiaries are directed to the SIGHT project. REGEP-UP primarily complements the SIGHT project but will also redirect livestock holders to the project if they approach REGEP-UP.

THE AFD support and JRF implemented project: **'20 Dunums for Change (20D4C): Economic empowerment of small holders and agricultural workers'** is also an engagement where strong partnership and synergies will be leveraged. The project seeks to establish a Green Business Incubation Program to support and nurture green entrepreneurs and startups, particularly in their early stages within the targeted locations. Selected green entrepreneurs and startups will receive strategic business development support, enabling them to refine their ideas and business models and providing opportunities for access to funding and linkages. The project's objectives will be achieved through a structured six-month incubation program, which includes capacity-building on the Green Business Incubation Curriculum, mentorship support, and grants to initiate their enterprises. Operating primarily in Irbid and Mafrq governorates, REGEP-UP will partner with the project and ensure cross fertilisation on common issues such as CLA, market access and women's empowerment.

The Danish supported **Resilience through Livelihood Support for Syrian Refugees & Host Communities** is another project with strong partnership potential which Denmark has also agree to exploit. Funded under the umbrella programme 'the Regional Development and Protection Programme (RDPP)', the project aims to sustain livelihoods and strengthen the resilience of Syrian refugees and Jordanian host

communities through a series of capacity building programs, and access to finance tools while prioritizing green entrepreneurship and jobs in rural areas.

Finally, the GCF funded and FAO/GoJ implemented project '**Building resilience to cope with climate change in Jordan through improving water use efficiency in the agriculture sector**'. This project will increase new supplies of water by recycling wastewater and harvesting rainwater. By reducing the demand on groundwater sources through efficient cropping and water use practices, the project will bolster vulnerable farmers' climate resilience - particularly women who play a critical role in Jordan's agricultural sector. REGEP-UP will continue to work closely with FAO also on the knowledge production and policy engagements.

5 ENVIRONMENTAL AND SOCIAL MANAGEMENT PROCEDURES

REGEP-UP Environmental, Social and Climate Risks classification

Environmental and social category. Considering both benefits and potential adverse negative impacts, REGEP Up is classified as moderate for environmental and social risks based on IFAD updated 2024 screening tool. The activities included under component 1, will support water efficient and sustainable production practices to reduce the selected agricultural value chain impact on scarce water resources. It will also support women and youth livelihoods by improving small businesses market potential. The project risks on the environment are site specific and are related to increase in water use, energy and agrochemicals from access to new assets through grants. To mitigate these risks the project will put strong emphasis on providing capacity building on climate start practices and coaching along with the provision of assets.

Loans provided under the rural finance component will be subject to Environmental and social risk screenings from the selected banks to ensure financing exclude any activities that are likely to have significant, sensitive, diverse, or unprecedented impacts on the environment and/or affected people. As primary financial intermediaries, technical assistance will be provided to enhance the ACC and CBJ environmental and social management system and risk screening along their agreed ESAPs (draft presented in annex of the ESPMP). The project will target smallholders and rural entrepreneurs with particular focus on women and youth and Syrian refugees and in line with the international agenda of Leaving No One Behind (LNOB).

Climate risk category. Using IFAD's standardized methodology for climate risk screening, where hazards, exposure, sensitivity, and adaptive capacity were assessed at the national level, the climate risk on the project is assessed as moderate. The project will be implemented in all 12 governorates, which can have varying exposure levels to hazards and climate variability. However, the trends indicate that the country will face increased water scarcity and drought, river floods, greater variability and decreases in precipitation, and increases in temperature accompanied by more frequent heat waves. These hazards will expose the agricultural sector to significant risks, including reduced crop yields, heightened water stress, increased soil degradation, and challenges in maintaining productivity due to extreme weather conditions. Furthermore, they may exacerbate the vulnerability of rural communities reliant on rainfed agriculture, intensify competition over limited water resources, and increase the cost of irrigation, threatening both food security and livelihoods. The proposed interventions under the REGEP UP will contribute to increasing the adaptive capacity of targeted rural population through livelihood diversification; enhanced access to markets; micro-enterprises development and access to finance directed to support adaptation to water scarcity.

5.1.2 Environmental and Social Management procedures

SECAP tools. The REGEP UP project will be implemented in accordance with IFAD's 2021 Social, Environmental and Climate Assessment Procedures (SECAP). These procedures refine IFAD's guiding principles and provide a structured approach for identifying, assessing, and managing social, environmental, and climate-related risks to enhance project sustainability. SECAP promotes the integration of environmental, social, and climate considerations throughout the project cycle, reinforcing IFAD's commitment not only to "do no harm" but also to maximize positive development outcomes. It aligns with the Sustainable Development Goals (SDGs) and other relevant international frameworks.

During the design of REGEF UP in 2025, a full SECAP Review Note was prepared to ensure compliance with IFAD's standards and to identify opportunities for enhancing climate resilience, sustainable natural resource management, and climate-smart agriculture. As part of this review, an Environmental and Social Management Plan (ESCMP) was developed.

The ESCMP serves as the primary tool for managing the project's environmental, social, and climate risks. It includes a draft Environmental and Social Action Plan (ESAP) for implementation by ACC and CBJ, a Grievance Redress Mechanism (GRM), and a Stakeholder Engagement Plan (SEP). These documents will be publicly disclosed both in-country and on IFAD's website and are annexed to the current PIM.

The full SECAP review note, ESCMP matrix, ESAPs, GRM and SEP can be found in annexe 5 of the PDR.

The ESCMP outlines the project components, relevant legal and policy frameworks, baseline environmental and social conditions, potential impacts, and mitigation and monitoring measures. The ESAP specifies actions required by ACC and CBJ to ensure their Environmental and Social Management Systems (ESMS) enable adequate due diligence for loan approvals. The GRM includes provisions for addressing complaints, including those related to sexual exploitation, abuse, and harassment (SEA/SH), and will be tailored to the project's specific context.

Roles and Responsibilities. In line with the project's implementation arrangements, JEDCO and the selected implementing partners are responsible for applying and monitoring the ESCMP. JEDCO PCMU will oversee the planning and coordination of environmental and social activities, including hiring qualified national consultants or firms to provide training, technical assistance, and ongoing supervision if needed.

The PCMU will recruit a SECAP consultant (see TORs in section 9) to support JEDCO in the implementation, monitoring and updating the ESCMP including the GRM and SEP, with IFAD's technical support. This consultant will also help organize training sessions for stakeholders and project participants.

During implementation, the rural finance expert with the SECAP consultant will ensure that ACC and CBJ fully implement their ESAPs, enabling their ESMS to meet SECAP's minimum standards. In coordination with CBJ, the project will conduct further due diligence on the participating commercial banks. The SECAP consultant will ensure as part of the technical assistant sub component 2.2 that all banks develop and implement an appropriate environmental and social screening procedure according to loans size to assess any risks related and recommendations for loans proposal.

Monitoring and Reporting. In addition to the indicators defined in the ESCMP for monitoring environmental and social risks and mitigation measures, the project's logical framework includes specific indicators on social inclusion, natural resource management, and climate change adaptation. The SECAP consultant will support JEDCO in the monitoring and reporting on ESCMP implementation annually.

SECAP compliance will be assessed through IFAD supervision missions and project progress reports, with a focus on risk monitoring and mitigation performance. The project's annual progress report must provide sufficient detail on the implementation of the ESCMP, including the integration of ESCMP and ESAP requirements into grant and loan agreements, as well as into bidding and contractual documents.

6 FINANCIAL MANAGEMENT

Updates and changes to financial management arrangements

REGEP Up is an IFAD-funded Project, therefore, in line with IFAD's efforts to capacitate and support Projects, this section was developed during the Project design process. It is envisaged that ongoing improvements and updates to financial management arrangements be updated in this section of the PIM under supervision of the Financial Specialist of the Project and JEDCO Finance Manager and subject to IFAD no objection.

Pre-implementation activities

During the start-up of the Project it is recommended that Project staff undertake the following activities. These activities are recommended to ensure that Project staff are well informed and knowledgeable with regards to the financial management aspects of the Project once implementation commences:

Activity	Overview
<i>Financial management staff appointment</i>	JEDCO will facilitate the availability of Financial Specialist and Accountant dedicated to the project and seconded staff
<i>Accounting software procurement and updates to the Financial Manual</i>	- The Project Financial Specialist in consultation with JEDCO Finance Manager will play a key role in the development process to ensure that the accounting software meets the Project's needs. - The Project Financial Specialist in consultation with JEDCO Finance Manager will be responsible for the review and improvement of the financial management arrangements in the PIM (subject to IFAD no objection).
<i>Preparation of first annual work plan and budget</i>	The Project Director will oversee the preparation of the first Annual Work plan and Budget, subject to IFAD no-objection.
<i>Staff training and capacity building</i>	- Newly appointed staff will be required to complete the IFAD FM e-learning and submit completion certificates to IFAD within 1 month of date of appointment. - Newly appointed staff will be required to review and study Project related documents with a focus on FM related issues. (IFAD loan agreement, Financial Management and Financial Controls arrangements letter (FMFCL), Project Design Document (prepared by IFAD), PIM).

IFAD Anticorruption policy

Link to IFAD policy: <https://www.ifad.org/en/document-detail/asset/40189695>

The management of Project funds shall be sufficiently rigorous to safeguard against Fraud and Corruption. Fraud and corruption include, but are not limited to (as defined in the IFAD anticorruption policy):

- Corrupt practice - offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party.
- Fraudulent practice - any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.
- Collusive practice - an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.
- Coercive practice - impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.

IFAD applies a zero-tolerance policy towards fraudulent, corrupt, collusive or coercive actions in Projects financed through its loans and grants. 'Zero tolerance' means that IFAD will pursue all allegations falling under the scope of this policy and that appropriate sanctions will be applied to parties or entities involved where the allegations are substantiated. IFAD takes all possible actions to protect individuals who submit allegations of fraudulent or corrupt practices in its activities from reprisal. The primary responsibility for enforcing the Anticorruption Policy lies with the REGEP, and the first defence for controls shall be exercised by Project staff and counterparts Pursuant to this, the REGEP shall have the responsibility to incorporate pertinent provisions of the Anticorruption Policy in its contracts with Project staff, cooperating/implementing partners, and suppliers/consultants.

It is the Project Director and the Project Financial Specialist responsibility to make sure that all Project staff are aware of IFAD's and the National's anticorruption policies and whistle blowing procedures.

FM organisational structure, roles and responsibilities

Overview of FM organizational structure

The FM organizational structure has been developed based on the needs of the Project. The reporting lines are outlined below:

FM staff - key roles and responsibilities

Detailed job descriptions for the Financial Specialist and Accountant, are decided by the Steering Committee and Project Director. The Project Financial Specialist and Accountant are supported by JEDCO Finance Manager and JEDCO Internal Auditor.

Project funding overview

IFAD financing agreements include (to be updated when the cost tables and agreements are finalised):

Facility	Reference	Amount	Completion date
IFAD PBAS Loan	Financial instrument: xxxxxx / xxxxxxxx		
IFAD BRAM Loan	Financial instrument: xxxxxx / xxxxxx		
IsDB Loan	Financial instrument: xxxxxxxx / xxxxxx		

Planning and budgeting

Project financing has been approved in line with the following expenditure components and categories which will be an important reference for preparation and monitoring of the AWPB and progress in line with the approved financing agreements:

Components	Activities
<u>Component 1</u>	✓
<u>Component 2</u>	✓
<u>Component 3</u>	✓

Facility	Amount	Eligible cost categories per Financing Agreement (Schedule 2)
IFAD PBAS Loan		✓
IFAD Loan		✓
IsDB Loan		✓
		✓

The AWPB is developed and modified using excel. The AWPB is prepared using a bottom up approach, starting the lowest levels. The Project Financial Specialist and in consultation with JEDCO Finance Manager is responsible for consolidation of the AWPB at PMCU for submission to IFAD for its No Objection. The Project Financial Specialist should ensure that the AWPB is prepared in the recommended format.

However, once the AWPB has been developed and approved, it must be inserted in the budget module of the accounting system for the purposes of monitoring actual implementation in line with the budget. The Project Financial Specialist needs to ensure that expenditure per category is in line with the approved totals in the Financing Agreement. If the budgeting process indicates and expected over-expenditure on one or more of the cost categories, the Project will have to obtain a no objection from IFAD, allowing a reallocation amongst categories.

Cost category overspend may not exceed 130% of the allocated amount as per Schedule 2 of the respective financing agreements.

Internal controls

Overview of internal controls

Internal control is a dynamic and integral process that is affected by an entity's management and personnel at all levels. The process consists of important checks instituted by management to have reasonable assurance that:

- Operations are carried out in an efficient & effective manner
- Transactions are recorded accurately & completely
- Assets are properly recorded & safeguarded
- Laws & regulations are complied with
- Reliable reports are generated.

Designing, Installing, and maintaining a system of internal financial control is an integral part of the technical and financial management functions and are the responsibility of management.

Component	Description
<i>Control activities</i>	The design of the internal controls starts with the identification of the underlying risks. Based on the identified risks, Project management must put in place a set of controls to mitigate these risks.
<i>Authorization</i>	Authorization controls require assure that a transaction or event is acceptable for further processing. The delegated authority of staff should ensure efficient implementation while mitigating related risks. Authorization levels of Project staff should be in line with their underlying roles.
<i>Reconciliations and checks</i>	Reconciliations between independent, corresponding sources of data are a key control for identifying errors and discrepancies in balances. The reconciliations should be done on a monthly basis. Any reconciling or balancing amounts should be promptly cleared. Unusually long outstanding reconciling items should be investigated. Physical checks should also be performed on assets and petty cash.
<i>Segregation of duties</i>	An important element in any control system is the separation of those duties which would, if combined, enable one individual to record and process a complete transaction an Accountant prepare a document, then be reviewed and cleared by the Financial Specialist and JEDCO Finance Manager, and then approved by the Project Director. It is the Project Financial Specialist and JEDCO's Financial Manager's responsibility to ensure that certain duties are segregated, including preparation, authorization, execution, custody, recording and the operation of systems.
<i>Restricted access</i>	All data, records and assets should be kept in a physically secure environment. Petty cash, and cheques, should be kept secure. Financial data and other records should also be protected by back up procedures and copy records should be stored securely off site.
<i>Monitoring and review</i>	Periodic financial reports must be prepared and submitted to IFAD during the Project implementation period as outlined. For the purposes of internal control, monthly management accounts should be prepared and monitored by the

	Project management. Where necessary, corrective action should be taken where the authorized budget and procurement plan are exceeded.

The Project will follow the Financial Control By-law (2011) and its Amendment (2015), detailing internal controls, financial review/approval procedures, and roles within the MoF for managing financial control functions in line ministries and government units. Moreover, this The PIM includes practical guidance on these internal controls in subsequent sections.

Reconciliations and checks

Reconciliations between independent, corresponding sources of data are a key control for identifying errors and discrepancies in balances. The following reconciliations and checks should be prepared on a monthly basis:

Type	Description	Preparer	Review	Approve
<i>Bank account reconciliations</i>	Reconciliation of the bank balances per the bank statement to the cash book balance.	Accountant	Financial Specialist /Internal Auditor	Finance Manager/Project Director
<i>Petty cash reconciliation</i>	Reconciliation of petty cash to relevant cash book.	Accountant	Financial Specialist /Internal Auditor	Finance Manager/Project Director
<i>Advance account justification</i>	Clear all outstanding advances within 2 days of each month end (received and record approved expenditure)	Accountant	Financial Specialist /Internal Auditor	Finance Manager/Project Director

JEDCO Financial Manager will undertake random spot checks of the petty cash.

Flow of funds

Flow of funds from IFAD, IsDB, Government and Beneficiaries

The Project will manage the flow of funds by using the following bank accounts:

- Two designated accounts, maintained with the Central Bank of Jordan, for the purposes of receiving disbursements of the IFAD PBAS and BRAM Loans and IsDB (xxxx denominated) (1 pool designated account for IFAD PBAS and BRAM Loan and another for IsDB Loan)
- Two operational account (JOD), maintained with the commercial Banks for the purposes of receiving funds from the respective IFAD Pool Designated Account and IsDB Designated Account. All expenditures and transfers in local currency, including transfers to implementation partners and service providers, will be made from the operational accounts.
- The payment for Rural Finance Credit lines to ACC and Central Bank will be through direct payment from IFAD to separate accounts opened to receive the proceeds for the credit line.

Authorized bank signatories

8.2.1 The signatory's authorizer will be in three types A, B and C.

8.2.2 All designated bank accounts will have 3 authorized signatories (A, B and C). All transfers will be required to be signed by 3 authorized signatories.

8.2.3 All operational bank accounts will have 4 authorized signatories (Two A and Two B). All transfers and/or cheques will be required to be signed by 2 authorized signatories (A and B).

Accounting

Accounting system

The Project uses IPSAS cash basis of accounting.

Centralized accounting at the PMCU

The accounting function will be centralised at the PMCU and maintained under the supervision of the JEDCO's Financial Manager. The PMCU will consolidate the accounting transactions from the various implementing partners on a monthly basis by receiving each partner's cash book in an off-line format which can be uploaded to the specific accounting module maintained at the PMCU for implementing partners or be monitored separately outside the system. This includes expenditure under the rural finance component – refer information obtained by CBJ and ACC (rural finance loans to end-beneficiaries).

Accounting software

The PMCU currently uses QuickBooks accounting software. The Financial Manager should identify opportunities to improve the accounting software functionality (also based on recommendations from IFAD) and engage with the software supplier to make upgrades for REGEF UP.

Chart of accounts

The accounting software should include the appropriate Chart of Accounts. The Chart of Accounts should be developed to cater for:

- All components and sub-components are incorporated in the AWPB (outlined in the financing in agreement)
- All categories as outlined in the financing agreements

- Sources of finance (Government, IFAD, IsDB, Implementing Partners, Beneficiaries)
- Sub categorisation to cater for activities

The Chart of Accounts should mirror the cost categories and components as per Schedule 2 of the financing agreements.

Recording and processing of transactions

Whenever a transaction takes place under the Project, it should be recorded and processed using the accounting software. Transactions are recorded on the cash basis of accounting which requires the recognition of cash flows when they occur (inflows and outflows).

Each transaction should be recorded in the accounting software based on the following:

- Use double entry accounting (debit and credit, with cash always being one of the entries)
- Capture the transaction using the correct account code (as determined by the chart of accounts)
- Capture transactions which have the required supporting documentation
- Capture information accurately and completely.

Budget to actual monitoring in the accounting software

The AWPB should be captured in the accounting software to allow for regular budget to actual monitoring.

Accounting for in-kind contributions.

In terms of the *IFAD Handbook for Financial Reporting and Auditing for IFAD-financed Projects*, REGEP Up is required to account for and disclose in-kind contributions. In order to meet this requirement, the Project is required to measure contributions as outlined below and record in the accounting system (both source and use of funds).

It is expected that the following in-kind contributions will be received by REGEP:

From beneficiaries:

(Beneficiaries may be defined as Grant and Rural Finance loan beneficiary)

- Construction materials (e.g. fencing, water supply systems)
- Labor related to operational activities
- Maintenance costs
- Assignment of Land (as collateral for rural finance loans)

From Government:

- Tax exemptions from Government

From JEDCO

- Salary and allowances payments to staff assigned or worked to the Project.

- Equipment and materials
- Other expenses (i.e. office space, utilities, etc.)

From Implementing Partners

- Salary and allowances payments to its staff related to Project activities.
- Equipment and materials.
- Other expenses

The following process is followed to account for in-kind contributions received :

Measure	Values of contributions are measured by on a monthly/quarterly basis as outlined in the table below.
Review	The accountant reviews the calculations and supporting documentations.
Approve	The Financial Specialist approves the calculations and supporting documentation before recording the information in the accounting software.
Record	Once approved, the accountant captures the contributions in the accounting software. The information is captured in line with the relevant expense category (source of funds: beneficiaries) on a monthly basis. NB: Sources = expenses

Type	Measurement calculation	Supporting documentation to be retained
<i>Labor hours</i>	Value = total hours worked X salary amount	i.e. JRF to provide in relation to grants.

<i>Maintenance costs</i>	Value = actual cost of materials purchased	Copies of invoices.
<i>Assignment of Land</i>	Value = NPV of reasonable lease fees for land, discounted over the remaining life of the REGEP Up project	Market value of land, as assessed by the PFI
<i>Government/JEDCO salary contribution</i>	Value = government monthly salary X % of time worked for the Project. Value= monthly salary x the % covered by the government	Summary of staff names and top up salary contribution calculation per individual
<i>Government/JEDCO utility contribution</i>	Value= monthly/annual value of utilities X the % covered by the government	Summary of utility expense

The calculation of tax and duties exemptions will be as the table below.

Category	Tax/duties rate
<i>Goods & Works & Services</i>	Tax rate 16%,

The tax-exemptions should be duly recorded in the accounting software if possible.

When recording the in-kind contributions, it is important that the in-kind contributions are classified according to the same principles as regular Project expenditures; that is, every contribution must be by linked to an activity/component, by category and by financing source (government and/or beneficiaries) to ensure that consolidated financial reports can be produced without any extra effort.

In-kind contributions should be disclosed separately in the financial statements. The notes of the financial statements should also briefly explain the methodology of how it was calculated. On the other hand, when

in-kind contributions cannot be reliably measured, for example the use of office space, then these should also be discussed in the notes to the Project financial statements.

Accounting for exchange rate matters

When claiming expenditures in local currency in Quarterly Interim Financial Report/Withdrawal Applications it is important to use the prevailing rate (historical exchange rate) at the time of transfer of funds from the Designated Account (denominated in xxxx) to the local currency account. Subsequent expenditures should be recorded in line with FIFO methodology. This type of conversion is also called the First in First out (FIFO) basis.

Accounting for advances

The Project may make advances (cash or bank transfer). Advances are allowed for:

- DSA for training or other travel;
- Fuel expenses;
- A project implementation activity in the field which is required to be paid in cash before an invoice is obtained.

In terms of accounting for advances:

- Advances are recorded in the accounting system at the date that the advance is made, subject to the required approval process.
- The transaction is not recorded as expenditure (in terms of categories, components) on this date.
- All advances should be cleared in a timely manner by the submission of original invoices.
- All outstanding advances should be cleared on a monthly basis/ and in any outstanding advance should be cleared by end of the year.
- In terms of the cash basis of accounting advances at the end of the period should be expensed and disclosed in the financial report.

Cash flow forecasting

The Financial Specialist is responsible for monitoring cash flows and should prepare cash flow forecasts on a quarterly basis. The cash flow forecasting is required as follows:

PMCU

Cash flow forecasting should be conducted to determine the cash flow needs of the Project. The cash flow forecast should be finalized 15 days before commencement of the relevant quarter. The forecast is prepared by the Financial Specialist and approved by the Project director.

The outcome of the cash flow forecast process is to determine the amount of cash which should be transferred from the IFAD designated account into the PMCU pool account.

The Financial Specialist is required to prepare a cash flow forecast per source of finance to avoid the risk of pre-financing amongst financiers. On a per financier basis, the following cash flow forecast can be prepared:

IFAD

Forecast expenses for the two rolling quarters per the AWPB

Less closing IFAD cash balance per the ledger

= Additional transfer from IFAD designated account

Once the cash need is identified per financier, the Project should proceed to access the sources of funds, IFAD funds can be transferred from the designated account based on quarterly interim financial report/WA. Please refer to appendix 3 for quarterly interim financial reports.

The designated accounts are maintained in **xxx** while most of the Project expenditures are incurred in JOD. This flow of funds arrangement makes it important for the Project to have proper controls and procedures in place to be able to:

- Properly account for the exchange rate and its fluctuations
- Mitigate any risks rising from potential exchange rate fluctuations or shock such as high rate of inflation or devaluations of the local currency.

As soon as funds are transferred from the designated accounts denominated in **xxx** to the Project account in local currency account, the converted funds may lose part of their value with respect to the designated account denomination currency resulting in an exchange rate loss. Particularly in the case of high domestic inflation or currency devaluation, the Project may incur a substantive exchange rate loss and as a result the Project must have proper procedures in place to mitigate the potential financial impact. The risk of incurring an exchange rate loss can be mitigated by keeping the balance of the local currency account(s) as low as possible while keeping the funds in the designated accounts until these are really needed, keeping in mind the needs as identified during the cash flow forecast process.

Disbursements

Eligibility of expenditures

In accordance with the IFAD disbursement procedures, between the date of entry into force of the Financing Agreement and the Financing Closing Date, REGEF Up may request withdrawals from the IFAD Loans for eligible expenditures.

Eligible expenditures are defined in the IFAD General Conditions Section 4.08 as follows:

The Financing shall be used exclusively to finance expenditures meeting each of the following eligibility requirements:

- o *The expenditure shall meet the reasonable cost of goods, works and services required for the Project and covered by the relevant AWPB and procured in conformity with the Fund's Procurement Guidelines.*
- o *The expenditure shall be incurred during the Project Implementation Period, except that expenditures to meet the costs of winding up the Project may be incurred after the Project Completion Date and before the Financing Closing Date.*
- o *The expenditure shall be incurred by a Project Party.*
- o *If the Agreement allocates the amount of the Financing to categories of Eligible Expenditures and specifies the percentages of such Eligible Expenditures to be financed by the Financing, the expenditure must relate to a category whose allocation has not been depleted and shall be eligible only up to the percentage applicable to such category.*
- o *The expenditure shall be otherwise eligible in accordance with the terms of the Financing Agreement.*
- o *The Fund may from time to time exclude certain types of expenditure from eligibility.*
- o *Any payment prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, shall not be eligible for financing by the Financing.*
- o *Any payments to a person or an entity, or for any goods, works or services, if making or receiving such payment constitutes a coercive, collusive, corrupt or fraudulent practice by any representative of the Borrower/Recipient or any Project Party, shall not be eligible for financing by the Financing.*
- o *All expenditures must be supported by sufficient supporting documentation as stated in the FMFCL.*
- o *The proceeds of the financing shall not be used to pay taxes. However, taxes paid by the ultimate recipient of an expenditure (e.g. withholding tax, income taxes paid by a Project employee or taxes on the profits of a contractor) are not considered to be taxes paid by the Project.*

The IFAD disbursement procedures as outlined below are governed by the FMFCL.

Disbursement procedures

The following disbursement procedures may be used for withdrawal from the IFAD loans:

Type	Description

<i>Advance withdrawal</i>	The advance withdrawal modality for REGEF UP is revolving account: ▪ The advance amount is usually sufficient to cover average Projected eligible expenditures for a period of approximately two rolling quarters based on cash forecast presented as part of the quarterly interim financial report.
<i>Direct payment</i>	The direct payment modality is used for eligible Project expenditures to be paid directly by IFAD. This payment method is used when IFAD has been requested to pay the Supplier directly and is suitable in the following situations: ▪ Credit lines to ACC and CBoJ <u><i>The Withdrawal Application MUST indicate the date on which payment becomes due to the payee.</i></u>
<i>Reimbursement</i>	Reimbursement is applicable when eligible Project expenditures are pre-financed by the Borrower before access to IFAD loans finance is possible. Such reimbursements are expected to be claimed no later than 90 calendar days from the date of payment by the Borrower.

Evidence of Authority to sign Withdrawal Applications

IFAD requires REGEF's Up representative, as designated in the financing agreement, to furnish satisfactory evidence of the authority and authenticated specimen signatures of the individuals who will sign WAs on behalf of REGEF Up. This evidence must reach IFAD before the first WA is presented by REGEF Up and should be the original (photocopies, facsimiles or other means of transmission are not acceptable unless approved by IFAD). A sample template is provided in annexes of FMFCL. Each WA should be signed by such duly authorized individuals, and the Fund must be notified of any change in the signatories authorized to withdraw funds from the loans accounts.

IFAD must also be notified of the designated signatories for operating any designated and/or project or other accounts, including changes thereto, whether or not these authorized signatories are included in the financing agreement. Such changes, as effected during the life of the Project, must be communicated promptly to the IFAD. REGEF Up, guided by the sample in annex of FMFCL, should provide the names and specimen signatures of the newly appointed signatories and include the date when such change is to take effect. The original of such changed documentary evidence is to be provided to IFAD.

The Designated Accounts

The flow of funds for REGEF UP starts with the opening of the Pool Project Designated Account (DA) at the Central Bank of Jordan, in accordance with IFAD's requirements identified in the Financing Agreement and the FMFCL (xxxxx denominated). The JEDCO Financial Manager is responsible for opening and managing the Designated Account including preparing a monthly reconciliation and statement in line with

the IFAD templates. Disbursements from the DA should be recorded in the PCMU account records as of the date they are made, that is when the checks are issued.

Withdrawal of Financing Proceeds using withdrawal applications (WA)

Requirement	Guidance
<i>Timeliness</i>	Withdrawal applications should be prepared on quarterly basis
<i>Completeness and accuracy of supporting documentation</i>	Prepare and submit the complete quarterly interim financial report package. Please see to the appendix to this PIM and the Annex of FMFCL
<i>Account reconciliation</i>	REGEP UP should submit the designated account reconciliation as part of the quarterly interim financial report package and statement, prepared the same reporting period in which the eligible expenditures are being claimed. This form needs to be accompanied by bank statements of the designated account and that of any other operating Project accounts ensuring that the closing bank balances for all these accounts correspond to the balances at the end of the same reporting period as indicated in the WA period.
<i>Duly authorized</i>	Ensure that WAs are duly authorised in terms of REGEP's Up authorisation procedures and signed by the duly authorised representatives.
<i>Document retention</i>	Retain original documentation at the PMCU for inspection by IFAD upon request.

As per IFAD requirements, REGEP Up is required to submit quarterly WA linked to IFRs along regardless of if there is need for new cash advances or not. Therefore, financial specialist is required to ensure that WAs are prepared and submitted to IFAD with consideration of the following requirements:

Initial advance

Ensure the disbursement conditions as per the financing agreement (if any) and the Project Financial Management and Financial Control Arrangements Letter (FMFCL) have been met which includes provision of the following:

- ☐ Evidence that a designated account has been opened and the names/titles of the persons authorised to operate this account (for initial advance or any case of any changes)
- ☐ A letter from the project, designating the name(s) of official(s) authorised to sign withdrawal applications including their specimen signature(s) (for initial advance or any case of any changes)

- ☐ Form 100 (integral part of ICP)
- ☐ Interim Financial Report package, including (i) a cash forecast for the following two quarters, as per the approved Annual Work Plan and Budget (AWPB) for IFAD financing; (ii) Sources and Uses of Funds Statement; (iii) DA Activity Statement. (iv) Actual vs. budget for quarter; (v) Actual vs. budget for financial year; (vi) Actual vs. cumulative allocation; (vii) additional statements such as reports on lending to end beneficiaries
- ☐ Bank statement(s) of designated account(s) and
- ☐ Statement(s) of other operating/district/Project accounts.

Justifications

- ☐ Form 100 (integral part of ICP)
- ☐ Interim Financial Report package, including; (i) a cash forecast for the following two quarters, as per the approved Annual Work Plan and Budget (AWPB) for IFAD financing; (ii) Sources and Uses of Funds Statement; (iii) DA Activity Statement. (iv) Actual vs. budget for quarter; (v) Actual vs. budget for financial year; (vi) Actual vs. cumulative allocation; (vii) additional statements such as reports on lending to end beneficiaries
- ☐ IFRs must be signed by authorized signatories and all supporting documents indicated in the FMFCL must be uploaded to ICP with Withdrawal Applications.
- ☐ Bank statement(s) of designated account(s) and
- ☐ Statement(s) of other operating/district/Project accounts

Foreign exchange conversion in preparing withdrawal applications

When claiming expenditures in local currency in Withdrawal Applications (forms 101, 102 and 104) or preparing a financial report, it is important to use the prevailing rate (historical exchange rate) at the time of transfer of funds from the Designated Account (denominated in XXX) to the JOD account. This type of conversion is also called the First in First out (FIFO) basis.

The historical exchange rate/FIFO basis of converting is to be used in the following two cases in particular:

- When preparing designated account reconciliation as part of a WA or a financial report, the closing balance of the local currency account(s), and any expenditures already incurred in local currency but not yet claimed must be converted to the denomination currency of the designated account using the historical exchange rate/FIFO basis of converting.
- When preparing withdrawal applications (form 101 and 102) the expenditures incurred in local currency (or any other currency than the denomination currency of the designated account) and claimed in the WA, must be converted to the denomination currency of the designated account using the historical exchange rate/FIFO basis of converting.

Suspension and the designated account

During a full suspension, IFAD will not replenish the designated account. However, Recipients may continue, except as otherwise indicated, to use any balance in the designated account to meet eligible expenditures and applications documenting these expenditures should continue to be regularly submitted.

ICP

The IFAD client portal (ICP) enables REGEP Up to:

- access real-time financing information on country portfolios as well as operational and financial information related to Projects
- submit Withdrawal Applications directly and obtain electronic approvals required both from concerned ministries and IFAD
- manage banking instructions electronically
- create and download relevant reports

The Project may submit electronic copies of its withdrawal applications and maintain hardcopies for audit purposes.

Refund of withdrawals

If the IFAD determines that any amount withdrawn from the Loan and/or Grant Accounts was not used for the purposes indicated or will not be needed thereafter to finance Eligible Expenditures, the Borrower

Processing of payments

IFAD funds may not be used for payment of taxes, customs or duties.

Supporting documentation

The processing of all payments is subject to REGEP Up retaining the following original adequate supporting documentation – refer Appendix 2.

General guidelines for processing of payments

For invoice related payments, the following general process is applicable:

Up to receipt of the invoice:

From receipt of invoice to payment recorded:

Activity	Procedures
<i>Request and approve activity in line with AWPB</i>	The request and approval for activities is undertaken in line with the specific procedures are outlined for each category of expenditure as outlined in: ▪ Travel

	▪ Civils works, equipment and tools ▪ Consultants ▪ Technical assistance and Grants & loans to Community Groups to fund activity implementation Generally, ensure that expenses are in line with the AWPB and that IFAD no objection has been obtained if required.
<i>Service delivered, or goods received</i>	Obtain evidence that the goods were delivered / services received to the satisfaction of the Project. Evidence to be retained for the purposes of providing supporting evidence for processing of invoice.
<i>Prepare payment request</i>	▪ Once invoices are received, the <u>Accountant</u> prepares a payment request which includes supporting documentation. ▪ The <u>Finance Specialist/ Finance Manager</u> reviews the payment request for accuracy and validity. ▪ The <u>Finance Specialist/ Finance Manager</u> adds the correct account codes for the purposes of recording the transaction in the accounting software. ▪ The <u>Finance Specialist/ Finance Manager</u> forwards the payment request with supporting documentation to the relevant Technical Officer /Component Head for review and sign off.
<i>Review of payment request</i>	The <u>Internal Auditor</u> shall review and sign the payment request, checking/confirming: ▪ The expenditure is included in the approved AWPB (or undertaken with approval of the IFAD CD with subsequent modification of the AWPB) ▪ IFAD no objection was obtained (if applicable). ▪ All expenditures are eligible in line with the financing agreement and has been incurred before/completed before Project completion date. ▪ Payment was cleared by the relevant component technical officer/head. ▪ All supporting documentation is attached (refer to appendix on supporting documents)
<i>Approve payment request</i>	The <u>Project Director</u> shall review and sign payment request, checking/confirming: ▪ The expenditure is included in the approved AWPB (or undertaken with approval of the IFAD CD with subsequent modification of the AWPB) ▪ All expenditures are eligible in line with the financing agreement and has been incurred before/completed before Project completion date ▪ Payment was cleared by the relevant component technical officer/head. ▪ All supporting documentation is attached (refer to appendix on supporting documents) ▪ The payment request was reviewed and approved by the <u>Financial Specialist</u>.

<i>Process payment</i>	▪ The approved Invoice with related documents shall be sent to the <u>Accountant</u> for processing and issuance of appropriate instruction for mandate/cheque preparation. ▪ Payment Voucher (PV) will be raised by the <u>Accountant</u>, based on a duly authorized payment request which includes supporting documentation. The PV will indicate the accounting codes, category of payment, component of payment and source of finance. ▪ The PV and the supporting documents will be sent to the <u>Internal Auditor</u> who will ensure that the correct account codes as well as the appropriate Project fund have been indicated on the PV. ▪ Where the is satisfied with the internal checks, the PV will be approved for mandate/cheque writing and the appropriate instruction for writing a mandate/cheque will be issued to the Project accountant. ▪ The <u>Financial Manager</u> and <u>Project Director</u> will sign the prepared cheques and return to the <u>Accountant</u> for processing. ▪ Signed cheques will be recorded in the Cheque Issued /mandate Register before collection. ▪ The turnaround time for settlement of invoices shall not exceed 3 working days. Before releasing the cheque to the payee, the accountant will ensure that the beneficiary signs the PV and Cheque Issued/Mandate Register.
<i>Record payment</i>	▪ Record the transaction in the accounting software, using the correct codes as captured on the PV. ▪ File supporting documentation in line with applicable procedures, include proof of payment (bank statement/bank confirmation of payment)

Travel related payments

The following type of travel may take place by Project staff or Project beneficiaries:

- Internal training - Travel for training.
- External training - Travel for training not at PMCU.
- International training.
- Project staff field visits.

All types of travel payments follow the general process:

The proses for each type of travel are outlined below:

Local training (internal) and field visits

Local training (internal) / field visits

<i>Type</i>	Training which is conducted for Project staff or beneficiaries at the PMCU or field visits
<i>Overview of entitlement</i>	▪ The relevant PMCU is expected to provide meals and accommodation. ▪ With regards to field visits, the driver and Project staff are entitled to a daily field allowance as specified in the Project bylaws. ▪ The numbers of travel days used for the calculation of pocket money/field allowance are calculated from date of departure from home until last day of the training. ▪ If Project vehicles are used, the actual cost of fuel is paid by the Project based on invoices. ▪ If private vehicles are used, staffs are reimbursed in line with the allowable rate per kilometer (120 Fills per kilometer), based on actual distance travelled.
<i>Request for travel</i>	The relevant department will prepare a request for travel which includes: <u>For training:</u> ▪ List of individuals to attend training ▪ Dates of training ▪ Overview of training (agenda, location noted) – brochure / email correspondence or other suitable evidence ▪ Related AWPB classification (category, component) ▪ Confirmation from the administration officer that a Project vehicle(s) is available for the travel dates should this be the mode of transportation ▪ Calculation of the pocket money to be paid. <u>For field visits:</u> ▪ List of individuals visiting field ▪ Purpose of field visit ▪ Relevant AWPB line item
<i>Approval of travel request</i>	▪ The travel request is reviewed by the Project accountant for: □ Accuracy and compliance with the staff bylaws in terms of the pocket money allowance / estimation for fuel costs □ Alignment with the approved ABPB ▪ The travel request is submitted to the Project Director for approval. ▪ Once approved, the team leader or individual should submit a request for vehicle use.
<i>Advance provide</i>	▪ An advance for fuel is provide from petty cash if the travel distance is more than 200km and travel is undertaken with a Project vehicle. The advance is provided to the individual undertaking the trip (not provided to the driver). ▪ The administrative assistance records the fuel advance in the petty cash book on the accounting software. ▪ No other advances are provided.

<i>Justification of travel expenses / return of unused fuel advance</i>	▪ Within 5 business days after the travel, the team leader / individual is required to prepare a travel expense report which includes: ☐ Attendance register completed at the training event ☐ If a private vehicle was used, indication of total distance travelled in kilometers with payment due to vehicle owner, based on the approved rate in the bylaws. ☐ If a Project vehicle was used, invoiced for fuel which was paid from fuel advance. ☐ Back to the office report (in case of field visits) ▪ The travel expense claim is submitted to the administrative assistant together with the fuel advance which was not used. ▪ The administrative assistant confirms the accuracy and validity of the travel expense claim and determines the pocket money which is due. ▪ The fuel advance returned is recorded in the accounting software. ▪ The Project accountant and financial specialist review the travel expense claim for accuracy and validity and captures the correct account codes on the request (in line with AWPB line items). (sign as evidence of review)
<i>Approval of travel payment</i>	▪ The travel expense is approved by the Project Director by way of signing the travel expense report.
<i>Payment of pocket money / fuel expenses</i>	▪ Once the travel expense claim is approved, the administrative assistant will provide the pocket money and reimburse for fuel expenses (in case of private vehicle use). ▪ Fuel is reimbursed based on invoices (if Project vehicle is used), or based on km x rate (120 Fills) if private vehicle is used.
<i>Recording of expense</i>	▪ The total travel expense is recorded as expenditure in terms of the correct category and component, in line with the account codes which are captured on the travel expense report. ▪ <i>Meals and accommodation provided by the PMCU where the training/field visit is held, is recorded to the related expense in terms of the correct account types and codes.</i>

Local training (Governorate) and other business-related travel within Jordan

Local training (external) or other business-related travel within Jordan	
<i>Types of travel</i>	▪ Training which is conducted for Project staff or beneficiaries at any Governorates in Jordan. ▪ Other business-related travel within Jordan
<i>Overview of entitlement</i>	▪ Individuals are entitled to DSA, paid based on the number of days of travel for training purposes. ▪ The DSA should be used to pay for the cost of accommodation and meals. ▪ Unused DSA is not returned to the Project.

	▪ The DSA is reduced in line with the staff bylaws in the event that meals or accommodations are provided to the individual. ▪ 80% of the DSA is advanced before commencement of the travel. ▪ 20% of the DSA is provide after completion of the travel and subject to approval of the travel expense report. ▪ The numbers of travel days are calculated from date of departure from home until last day of the training. ▪ If Project vehicles are used, the actual cost of fuel is paid by the Project. ▪ If private vehicles are used, staff are reimbursed in line with the allowable rate per kilometer, based on actual distance travelled
<i>Request for travel</i>	The relevant officers will prepare a request for travel which includes: ▪ List of individuals to attend external training ▪ Dates of training ▪ Overview of training (agenda, location noted) – brochure / email correspondence or other suitable evidence ▪ Cost of training and other expenses ▪ Related AWPB classification (category, component) ▪ Mode of transport (Project vehicle or other) ▪ Confirmation from the administrative officer that a Project vehicle(s) is available for the travel dates should this be the mode of transportation ▪ Calculation of total DSA due (100%) ▪ Calculation of total DSA advance required (individuals x applicable DSA rate x 80%) before departure.
<i>Approval of travel request</i>	▪ The travel request is reviewed by the Project accountant for: ☐ Accuracy and compliance with the staff bylaws in terms of the DSA rate applied. ☐ Alignment with the approved documents. ▪ The travel request is submitted to the Project Director for approval. ▪ Once approved, the team leader or individual should submit a request for vehicle use.
<i>Advance provide</i>	▪ Upon approval of the travel request by the Project Director, the Project accountant will advance 80% of the total DSA to individuals or the team leader as appropriate. (Amounts greater than 50 JOD provided by cheque.). ▪ The Project accountant will record the advance in the accounting system, indicating the amount, date of advance, to who advanced and related budget line item. (advance is not recorded as an expense at this stage).
<i>Justification of travel expenses</i>	▪ Within 5 business days after the travel, the team leader / individual is required to prepare a travel expense report which includes: ☐ Invoices for hotels, meals (original) ☐ If a private vehicle was used, indication of total distance travelled in kilometers with payment due to vehicle owner, based on the approved rate in the bylaws. ☐ Attendance register completed at the training event ☐ Back to the office report (in case of other business-related travel)

	▪ The travel expense claim is submitted to the administrative assistant who confirms the accuracy and validity of the travel expense claim and determines the outstanding DSA which is due for payment. (sign as evidence of review). ▪ The Project accountant reviews the travel expense claim for accuracy and validity and captures the correct account codes on the request (in line with AWPB line items). (sign as evidence of review)
<i>Approval of travel payment</i>	▪ The travel expense is approved by the Project Director by way of signing the travel expense report.
<i>Payment of outstanding DSA</i>	▪ Once the travel expense claim is approved, the administrative assistant will provide the remaining 50% DSA from the training advance and reimburse for fuel expenses. Fuel is reimbursed based on invoices (if Project vehicle is used), or based on km x staff bylaw rate if private vehicle is used.
<i>Recording of expense</i>	▪ The total travel expense is recorded as training expenditure, by clearing the travel advance, in terms of the correct category and component, in line with the account codes which are captured on the travel expense report. ▪ Only fuel expenses may be charged to the training budget code. If other vehicle maintenance was incurred, this expense is recorded as maintenance.

International travel

International travel	
<i>Type of travel</i>	▪ Training which is conducted for Project staff or beneficiaries at an international location.

<i>Overview of entitlement</i>	▪ Individuals are entitled to DSA, paid based on the number of days of travel for training/meetings/official visits purposes. ▪ The DSA should be used to pay for the cost of accommodation and meals. ▪ Unused DSA is not returned to the Project. ▪ DSA is determined in line with rate set by government of Jordan. ▪ The DSA is reduced in line with the bylaws in the event that meals or accommodations is provided to the individual. ▪ 80% of the DSA is advanced before commencement of the travel. ▪ 20% of the DSA is provide after completion of the travel and subject to approval of the travel expense report. ▪ The number of travel days are calculated from date of departure from home until last day of the training. ▪ If Project vehicles are used, the actual cost of fuel is paid by the Project. (to travel to airport). ▪ If private vehicles are used, staffs are reimbursed in line with the allowable rate per kilometer, based on actual distance travelled. (to travel to airport).
<i>Request for travel</i>	The relevant department will prepare a request for travel which includes: ▪ List of individuals to attend external training ▪ Dates of training ▪ Overview of training (agenda, location noted) – brochure / email correspondence or other suitable evidence ▪ Related AWPB classification (category, component) ▪ Confirmation from the administrative officer that a Project vehicle(s) is available for the travel to the airport. ▪ Calculation of total DSA due (100%) ▪ Calculation of total DSA advance required (individuals x applicable DSA rate x 80%) before departure ▪ Estimated cost of air travel ▪ Estimated cost of visas
<i>Approval of travel request</i>	▪ The travel request is reviewed by the Project accountant for: ☐ Accuracy and compliance with the bylaws in terms of the DSA rate applied. ☐ Alignment with the approved ABPB ▪ The travel request is submitted to the Project Director for approval. ▪ Once approved, the team leader or individual should submit a request for vehicle use if required. ▪ IFAD no objection should be obtained for travel request before approval by the Project Director.

<i>Advance provide</i>	▪ Upon approval of the travel request by the Project Director, the Project accountant will advance 80% of the total DSA to individuals or the team leader as appropriate. ▪ The Project accountant will record the advance in the accounting system, indicating the amount, date of advance, to who advanced and related budget line item. (advance is not recorded as an expense at this stage)
<i>Justification of travel expenses</i>	▪ Within 5 business days after the travel, the traveller is required to prepare a travel expense report which includes: ☐ Invoices for hotels, meals (original) ☐ Invoices for air travel and visas (or copies of visas if invoices were not provided) ☐ Boarding passes for air travel ☐ If a private vehicle was used, indication of total distance travelled in kilometers with payment due to vehicle owner, based on the approved rate in the bylaws. ☐ Attendance register completed at the training event ☐ Back to the office report ☐ Confirmation of IFAD no objection (email correspondence) ▪ The travel expense claim is submitted to the administrative assistant who confirms the accuracy and validity of the travel expense claim and determines the outstanding DSA which is due for payment. (Sign as evidence of review). ▪ The Project accountant and financial specialist review the travel expense claim for accuracy and validity and captures the correct account codes on the request (in line with AWPB line items). (sign as evidence of review)
<i>Approval of travel payment</i>	▪ The travel expense is approved by the Project Director by way of signing the travel expense report.
<i>Payment of outstanding DSA / reimbursement for visa fees</i>	▪ Once the travel expense claim is approved, the administrative assistant will provide the remaining 20% DSA. ▪ Payment for air travel is processed. ▪ Individuals are reimbursed for the actual cost of visas and fuel. Fuel is reimbursed based on invoices (if Project vehicle is used), or based on km x staff bylaw rate if private vehicle is used. ▪ Visas may be reimbursed on presentation of an invoice or a copy of the visa (only in instances where invoices are not issued at passport control for entry visas)
<i>Recording of expense</i>	▪ The total travel expense is recorded as training expenditure, by clearing the travel advance, in terms of the correct category and component, in line with the account codes which are captured on the travel expense report. ▪ Only fuel expenses may be charged to the training budget code. If other vehicle maintenance was incurred, this expense is recorded as maintenance.

In all instances, unjustified travel advances will need to be reimbursed to the Project by the traveller within three months after the travel date or the amount will be deducted from the payroll.

Civil works, equipment and tools

Activity	PMCU procedures
<i>Request and approve activity in line with AWPB</i>	▪ Civils works, equipment and tools are defined and outlined in both the AWPB and the Procurement Plan. ▪ Civil works, equipment and tools is contracted via a procurement process as outlined in the Project Implementation Manual. ▪ IFAD no objection is required on the bidding document, recommendation of award and contract outline before the final bid award is made. (refer to Procurement Arrangements Letter)
<i>Prepare payment request</i>	▪ The procurement officer will request payment of invoices, subject to providing the following supporting documentation: - Copy of civils contract with award letter (for civils only) - Contract amendment letter (if applicable) - Bid analysis and evaluation report - Evidence of IFAD no objection related to the contract award - Purchase order / Invoice - Progress report prepared by consulting engineer and approved by Project Technical head. ▪ The <u>Accountant</u> prepares a payment request which includes the supporting documentation. ▪ The <u>Financial Specialist/Financial manager</u> review the payment request for accuracy and validity. ▪ The <u>Financial Specialist/Financial manager</u> add the correct account codes for the purposes of recording the transaction in the accounting software. ▪ The <u>Financial Specialist/Financial manager</u> forward the payment request with supporting documentation to the relevant Technical Officer /Component Head for review and sign off.
<i>Review of payment request</i>	The <u>Internal Auditor</u> shall review and sign the payment request, checking/confirming: ▪ The expenditure is included in the approved AWPB (<i>or undertaken with approval of the IFAD CPM with subsequent modification of the AWPB</i>) ▪ IFAD no objection was obtained (if applicable). ▪ All expenditures are eligible in line with the financing agreement and have been incurred before/completed before Project completion date. ▪ Payment was cleared by the relevant component technical officer/head.

	▪ All supporting documentation attached. ▪ <u>Where stipulated in the contract, the required bank guarantees are valid and is retained in the PMCU safe.</u>
<i>Approve payment request</i>	The <u>Project Director</u> shall review and sign payment request, checking/confirming: ▪ The expenditure is included in the approved AWPB (or undertaken with approval of the IFAD CD with subsequent modification of the AWPB) ▪ All expenditures are eligible in line with the financing agreement and has been incurred before/completed before Project completion date ▪ Payment was cleared by the relevant component technical officer/head. ▪ All supporting documentation is attached ▪ The payment request was reviewed and approved by the <u>Financial Specialist/Financial manager.</u>
<i>Process payment</i>	▪ The approved Invoice with related documents shall be sent to the <u>Accountant</u> for processing and issuance of appropriate instruction for mandate/cheque preparation. ▪ Payment Voucher (PV) will be raised by the <u>Accountant</u>, based on a duly authorized payment request which includes supporting documentation. The PV will indicate the accounting codes, category of payment, and component of payment and source of finance. ▪ The PV and the supporting documents will be sent to the <u>Internal Auditor</u> who will ensure that the correct account codes as well as the appropriate Project fund have been indicated on the PV. ▪ Where the <u>Internal Auditor</u> is satisfied with the internal checks, the PV will be approved for mandate/cheque writing and the appropriate instruction for writing a mandate/cheque will be issued to the Project accountant. ▪ The <u>Financial Manager</u> and <u>Project Director</u> will sign the prepared cheques and return to the <u>Internal Auditor</u> for processing. ▪ Signed cheques will be recorded in the Cheque Issued /mandate Register before collection. ▪ The turnaround time for settlement of invoices shall not exceed 3 working days. Before releasing the cheque to the payee, the accountant will ensure that the beneficiary signs the PV and Cheque Issued/Mandate Register.
<i>Record payment</i>	▪ Record the transaction in the accounting software, using the correct codes as captured on the PV. ▪ Update the contract monitoring form module in the accounting software with the payment made. ▪ File supporting documentation, include proof of payment (bank statement/bank confirmation of payment)

Payments for consultant services

Activity	PMCU procedures
<i>Request and approve activity in line with AWPB</i>	▪ The process for requesting and approving consultants is outlined in the procurement section of the PIM (and PAL) and is dependent on whether the service is recruited internationally, nationally, locally or on a single source basis. ▪ In all instances the procurement of consulting services is subject to IFAD's no objection.
<i>Prepare payment request</i>	▪ The procurement officer will request payment of consulting services subject to providing the following supporting documentation: - Copy of consulting contract and invoice requesting payment (invoice to specify bank details in line with contract) - Copy of output (report / study etc.) - Copy of timesheets (if time-based payment is required) - Written recommendation for payment from the relevant technical department which confirms that the consultant(s) have delivered the key outputs as specified in the consulting contract. - Confirmation of IFAD no objection. ▪ The <u>Accountant</u> prepares a payment request which includes the supporting documentation. ▪ The <u>Accountant</u> reviews the payment request for accuracy and validity. ▪ The <u>Accountant</u> adds the correct account codes for the purposes of recording the transaction in the accounting software. ▪ The <u>Accountant</u> forwards the payment request with supporting documentation to the relevant Technical Officer /Component Head for review and sign off.
<i>Review of payment request</i>	The <u>Accountant</u> shall review and sign the payment request, checking/confirming: ▪ The expenditure is included in the approved AWPB (<i>or undertaken with approval of the IFAD CD with subsequent modification of the AWPB</i>) ▪ IFAD no objection was obtained (if applicable). ▪ All expenditures are eligible in line with the financing agreement and has been incurred before/completed before Project completion date ▪ Payment was cleared by the relevant component technical officer/head. ▪ All supporting documentation is attached (refer Appendix 2). ▪ <u>Where stipulated in the contract, the required bank guarantees are valid and is retained in the PMCU safe.</u>

<i>Approve payment request</i>	The <u>Project director</u> shall review and sign payment request, checking/confirming: ▪ The expenditure is included in the approved AWPB (or undertaken with approval of the IFAD CD with subsequent modification of the AWPB) ▪ All expenditures are eligible in line with the financing agreement and have been incurred before/completed before Project completion date. ▪ Payment was cleared by the relevant component technical officer/head. ▪ All supporting documentation is attached. ▪ The payment request was reviewed and approved by the <u>Financial Manager</u>.
<i>Process payment</i>	▪ The approved Invoice with related documents shall be sent to the <u>Accountant/ Financial Specialist</u> for processing and issuance of appropriate instruction for mandate/cheque preparation. ▪ Payment Voucher (PV) will be raised by the <u>Accountant</u>, based on a duly authorised payment request which includes supporting documentation. The PV will indicate the accounting codes, category of payment, component of payment and source of finance. ▪ The PV and the supporting documents will be sent to the <u>internal auditor</u> who will ensure that the correct account codes as well as the appropriate Project fund have been indicated on the PV. ▪ Where the <u>internal auditor</u> is satisfied with the internal checks, the PV will be approved for mandate/cheque writing and the appropriate instruction for writing a mandate/cheque will be issued to the Project accountant. ▪ The <u>Financial Manager</u> and <u>Project Director</u> will sign the prepared cheques and return to the <u>internal auditor</u> for processing. ▪ Signed cheques will be recorded in the Cheque Issued /mandate Register before collection. ▪ The turnaround time for settlement of invoices shall not exceed 3 working days. Before releasing the cheque to the payee, the accountant will ensure that the beneficiary signs the PV and Cheque Issued/Mandate Register.
<i>Record payment</i>	▪ Record the transaction in the accounting software, using the correct codes as captured on the PV. ▪ Update the contract monitoring form module in the accounting software with the payment made. ▪ File supporting documentation, include proof of payment (bank statement/bank confirmation of payment).

Payments to implementing partners

Payments to implementing partners should be based on confirmation of implementation progress and utilisation of funds in line with signed MOU between the project and the implementing partner. In this regard it is required that a request for payment from an implementing partner be accompanied by a **validation report** in the recommended format as per below:

The validation report should:

- ✓ Reconcile cash balances held by the partner with outstanding advances as per REGEP Up records (with supporting bank statements)
- ✓ Include original supporting documentation for all expenses listed
- ✓ Split expenses by component / cost category and financier as per the approved AWPB
- ✓ By approved by the relevant/authorized individual from the implementing partner

Request with disbursement should be denied if the above is not to REGEP's satisfaction.

For payment processing should be followed with specific inclusion of the following:

Activity	
<i>Receive payment request</i>	1. The partner should submit a written request for funds to the PMCU. The written request should outline the amount requested, the legal entity to which the funds will be disbursed and bank details of the partner a. The written request should be signed by an authorized representative of the partner. b. The request should be accompanied by a bank stamped letter from the commercial bank where the partner has opened a bank account for the purposes of receiving the funds c. The request should be accompanied by the legal entity registration documents (certified) which indicate the name of the partner (corresponding to name on bank letter) 2. The partner Officer should provide supporting documentation which includes a validation report.
<i>Prepare payment request</i>	▪ Once a disbursement request is received from the partner, the <u>Accountant</u> prepares a payment request which includes supporting documentation. <i>The partner Officer should provide supporting documentation which includes his/her validation report.</i> ▪ The <u>Accountant</u> adds the correct account codes for the purposes of recording the transaction in the accounting software. ▪ The <u>Accountant</u> forwards the payment request with supporting documentation to the financial manager for review and sign off.
<i>Review of payment request</i>	The <u>Financial Specialist/financial manager</u> shall review and sign the payment request, checking/confirming: ▪ The funds allocation is included in the approved AWPB (<i>or undertaken with approval of the IFAD CD with subsequent modification of the AWPB</i>) ▪ All supporting documentation is attached.

	▪ The bank details on the payment request agree to the bank stamped letter provided by the partner and the amount of the payment agrees to the amount approved for allocation by the project manager.
<i>Approve payment request</i>	The <u>internal Auditor</u> shall review and sign payment request, checking/confirming: ▪ The expenditure is included in the approved AWPB (or <i>undertaken with approval of the IFAD CD with subsequent modification of the AWPB</i>) ▪ Payment was cleared by the project manager ▪ All supporting documentation is attached (refer Appendix 2). ▪ The payment request was reviewed and approved by the <u>Financial Specialist/financial manager</u>.
<i>Process payment</i>	▪ The disbursement request shall be sent to the <u>accountant</u> for processing and issuance of appropriate instruction for mandate/cheque preparation. ▪ Payment Voucher (PV) will be raised by the <u>accountant</u>, based on a duly authorised payment request which includes supporting documentation. The PV will indicate the accounting codes, category of payment, component of payment and source of finance. ▪ The PV and the supporting documents will be sent to the <u>Financial Specialist/financial manager</u> who will ensure that the correct account codes as well as the appropriate Project fund have been indicated on the PV. ▪ Where the <u>Financial Specialist/financial manager</u> is satisfied with the internal checks, the PV will be approved for mandate/cheque writing and the appropriate instruction for writing a mandate/cheque will be issued to the Project accountant. ▪ The <u>financial manager</u> and <u>project manager</u> will sign the prepared cheques and return to the <u>accountant</u> for processing. ▪ Signed cheques will be recorded in the Cheque Issued /mandate Register before collection. ▪ The turnaround time for disbursements shall not exceed 7 working days. Before releasing the cheque to the payee, the accountant will ensure that the beneficiary signs the PV and Cheque Issued/Mandate Register.
<i>Record payment</i>	▪ Record the transaction in the accounting software, using the correct codes as captured on the PV. ▪ File supporting documentation, include proof of payment (bank statement/bank confirmation of payment)

Payment to Beneficiary grants

Grants activities are implemented and monitored by an implementing partner.

Grant payments are made via the E-Wallet system or commercial bank in line with the following process:

- Grants are approved by the Grants Evaluation Committee.
- The list of approved grants is used by the Accountant to prepare a batch payment.
- The payment request is reviewed by the Internal Auditor and approved by the Financial Specialist/*financial manager* and Project Director.
- The payment is processed and recorded once the e-wallet intermediary/commercial bank confirms that end-recipients received they grant payments via the e-wallet/ commercial bank.

Subsequent payments – grants

Grants to end-beneficiaries are paid in more than 1 instalment, it is therefore required that grants be recorded in the QuickBooks contract module for the purposes of monitoring outstanding obligations to end-beneficiaries. When processing subsequent payments on grants, it is required to confirm that prior tranches were utilized in line with IFAD requirements and agree amounts to the outstanding obligation as recorded in the contracts module. With regards to progress, JRF, as monitoring agent for the grants, to submit supporting documentation to REGEP Up to confirm progress on the grants utilization.

Petty cash payments and replenishments

The advance to petty cash is 500 JOD and is managed by the accountant. The purpose of the petty cash is to allow the PMCU to make payments for low value items (e.g. minor repairs, small supplies, newspapers, taxi fares, and other sundry expenses) in a quick and efficient manner.

The Petty cash disbursements may be in the form of an advance or a reimbursement. Advances must be justified with proper supporting documentation (receipts etc.) on a timely basis.

The petty cash box to be kept by the administrative assistant. Petty cash vouchers to be used. Monthly petty cash reconciliations required which are prepared/reviewed/approved by some other than the accountant.

- The cash is placed in a locked cash box which is kept in the accountant's custody. The Petty cash disbursements may be in the form of an advance or a reimbursement (when the staff member has personally advanced the funds).
- For advances, the accountant delivers petty cash advances on the basis of the approved request. After the purchase is made, the requestor must return the invoice/receipt along with the change, if any, to the accountant for recording into the accounting system.
- For reimbursements (i.e. when the goods or services have already been delivered), the invoice or receipt is given to the accountant who reimburses the requesting staff member or directly pays the supplier. The form is signed by the individual who receives the money.
- All disbursements from the Petty Cash must be recorded on a Cash Voucher form showing all particulars: the amount, the account being charged, the description of the transaction, authorization (by accountant) and the signature of the payee. The necessary documents (invoice, payment tapes, receipts) must be firmly attached. The accountant must never disburse from the petty cash to himself/herself without the Finance Manager's authorization.
- The petty cash replenishment point is set to 500 JOD. Once the level of the petty cash on hand falls below this point, the accountant must request replenishment by submitting a completed petty cash replenishment form. This form will show a listing of all disbursements made, the accounts

debited and the total sum replenished. All the necessary petty cash vouchers and their supporting documents will be attached. A check will be prepared for the amount to be replenished and the Financial Specialist/Financial Manager is required to review and confirm all disbursements on the Petty Cash form before signing the check.

- Petty cash is replenished upon presentation of actual receipts to the Financial Specialist/Financial Manager. All Petty cash replenishments will bring the balance of cash on hand to JOD 500 since the cash on hand and the receipts available should always equal JOD 500.
- The Petty Cash Vouchers, Receipts and Electronic Petty Cash Reconciliation Sheet should be updated frequently. At the end of each month, the Project accountant will reconcile the petty cash journal with the physical cash count. These will be checked, along with a surprise cash count by the Financial Specialist/Financial Manager (or Project Director in the absence of the Financial Manager) via unannounced inspections at least once per month.

Payments for fuel

Vehicles may be refueled at the local preferred fuel station using prepaid cards, based on approved purchase orders issued to drivers by the respective officer at JEDCO. In such instances the driver does not pay in cash for fuel. On a monthly basis the respective officer will compare the customer statement information to the respective Project vehicle logbooks to confirm accuracy of the customer statement. In addition, the respective officer will confirm that only approved Project vehicles are listed on the customer statement. Once the respective officer is satisfied with the customer statement, a payment request will be prepared for the top up the pre-paid card.

Financial Reporting

Financial reporting requirements applicable to IFAD-financed Projects are outlined in the IFAD Handbook for Financial Reporting and Auditing for IFAD-financed Projects.

Frequency of financial reporting

REGEP Up is required to prepare financial reports and submit to IFAD as outlined in the table below:

Type	Period / Frequency of submission
<i>Annual Financial Statements</i>	▪ <u>Unaudited</u>: Prepare annual reports and submit to IFAD within 4 months of the end of the financial year-end. ▪ <u>Audited</u>: Submit audited financial statements within 6 months of the end of the financial reporting period. The annual financial statement should be authorized by the Project Director for authorization before submission to the auditor/IFAD.
<i>Interim financial reports</i>	Prepare quarterly reports and submit to IFAD within 45 days of the end of the quarter.

<i>Monthly management accounts</i>	It is required that the Project prepare monthly management accounts which include information which is useful for the purposes of monitoring the Project. The monthly management accounts are used for internal purposes only. The content may include: ▪ A financial progress report (sources and uses) ▪ Monthly reconciliations ▪ Cash flow forecast ▪ Summary of contract commitments ▪ Overview of budget to actual expenditure analysis with variance explanations ▪ Monthly vehicle maintenance and fuel consumption report ▪ Travel and DSA report. ▪ Contribution in kind status progress report The monthly management accounts should be prepared within 10 days of the end of the month and submitted to the Project Director for review and discussion during management meetings. The purpose of the monthly management accounts is to provide a monitoring tool for management with the purposes of identifying issues and taking corrective action.

Financial reporting requirements

REGEP Up is required to prepare financial reports in line with IPSAS, “Financial Reporting under the Cash Basis of Accounting” (IPSAS Cash). Should REGEP Up propose to use a different accounting standard, this should be agreed with IFAD. In all instances, IFAD required Projects to use internationally accepted accounting standard.

General principles for the preparation of financial reports

REGEP Up shall prepare financial reports with consideration of the following specific principles:

Principal	Guidance
<i>Completeness</i>	▪ The financial reports shall be complete and include the activities of the PMCU and present the results of a single entity. ▪ The sources and uses of all categories/components shall be included (including sources received in-kind as per partner). ▪ The sources and uses from all financiers shall be included, including: ☐ IFAD Loans ☐ IsDB Loan ☐ Government Contributions ☐ Beneficiary Contributions ☐ Other contributions as applicable

<i>Accuracy</i>	▪ Ensure that the various disclosures are reconcilable as appropriate.
<i>Accountability</i>	▪ The financial reports should promote the concept of accountability.

Minimum prescribed content for annual and quarterly interim financial reports

REGEP Up is required to prepare financial reports (annual and quarterly) which include the following minimum prescribed content.

Annual Financial Report/Statement:

Content	Source of requirement	Guidance on preparation of content
<i>Statement of Cash Receipts and Payments</i>	Prescribed by IPSAS Cash	▪ Layout: □ Receipts – Payments = Surplus/Deficit + Opening Cash +/- Exchange rate difference = Closing Cash Balance ▪ The opening and closing cash balance should include the balance of the designated account (XXX) and all operational accounts (XXX & JOD) ▪ The opening and closing cash balance in the Designated Account is derived by applying the spot rate on the date of translation ▪ Disclose cash receipts using an appropriate classification system (<i>Contributions from external financiers, Contributions from Government, Contributions from Beneficiaries, Cash generated from Project activities</i>) ▪ Disclose cash payments in line with the categories outlined in the IFAD financing agreement ▪ Disclose the exchange rate gain or loss (resulting from the translation of funds in the designated account from xxx to JOD)
<i>Budget to Actual Comparison</i>	Prescribed by IPSAS Cash	▪ Ensure that the Budget period corresponds to the Financial Reporting Period ▪ Derive the budget disclosure from the approved AWPB. Disclose both the original and final approved AWPB. ▪ Calculate the variance between budgeted and actual results for both receipts (sources) and uses (payments).

		▪ Provide narrative on the reason for the variances observed.
<i>Accounting policies and explanatory notes</i>	Prescribed by IPSAS Cash	▪ Develop accounting policies with reference to the guidance provided in IPSAS Cash ▪ Disclose the authorization date ▪ Disclose the basis of presentation ▪ Disclose the presentation currency as JOD & xxx
<i>Sources and Uses of Funds Statement</i>	Prescribed by the IFAD Handbook for Financial Reporting and Auditing for IFAD-financed Projects	▪ Include both cash and in-kind contributions in the Sources of Funds ▪ Provide disclosure on uses of funds by financier/by category and financier/component
<i>Designated account reconciliation</i>	Prescribed by the IFAD Handbook for Financial Reporting and Auditing for IFAD-financed Projects	▪ Prepare reconciliation which provide justification for the IFAD advance. ▪ Explain variances.
<i>Designated account Statement</i>	Prescribed by the IFAD Handbook for Financial Reporting and Auditing for IFAD-financed Projects	▪ Ensure that opening and closing cash balances presented in this Statement is reconciled with the cash balances used in the Statement of Cash Receipts and Payments. ▪ Disclose the exchange rate gain/loss separately and ensure that this is reconciled with the Statement of Cash Receipts and Payments.
<i>Summary of Withdrawal Applications/IFRs</i>	Prescribed by the IFAD Handbook for Financial Reporting and Auditing for IFAD-financed Projects	▪ Ensure that summary information is reconcilable with the IFAD historical transaction statement (to be requested from the IFAD Finance Officer) with regards to the value date of the transaction amount of withdrawal in loan denomination currency. ▪ Cross reference amounts included here per WA to amounts included in the Designated Account Statement / Designated Account Reconciliation.
<i>Fixed asset register</i>	Prescribed by the IFAD Handbook for Financial Reporting and Auditing for IFAD-financed Projects	▪ Include a fixed asset register which lists all Project assets (<i>including those purchased on behalf of the cooperatives if the Project retains the title and the assets will be returned to the Project at Project closure</i>). ▪ Ensure that all fields are included.

Quarterly Interim Financial Report:

The IFR format will be provided in FMFCL and an illustration is provided in the appendix of the PIM (Appendix 3).

Content	Guidance on preparation of content
<i>Cash Forecast</i>	▪ Provide funds forecast for rolling two quarters along with anticipated direct payments, in line with approved AWPB for current year. ▪ In case the Cash Forecast for subsequent two quarters include fourth quarter of the approved AWPB and the first quarter of the subsequent year (for which the approval of AWPB is yet to be approved), provide forecast of the fourth quarter of approved AWPB in "Next Reporting Quarter" column and forecast of the first quarter as per the draft AWPB of subsequent financial year in "Following Reporting Quarter". ▪ Once the AWPB of the subsequent year is approved, the information is to be aligned as per the approved AWPB in subsequent WA. ▪ Cash forecast figures have to be realistic and achievable ▪ Narrative summary to justify the cash forecast calculation has to be included at the bottom of the sheet.
<i>Summary of Sources and Uses of Funds-DA Account</i>	▪ It provides actual data for the opening and closing balance of the DA bank account. ▪ Expenses per category and components are only for expenses incurred from DA only; no direct payment should be included in this sheet". ▪ This applies for the current quarter, year to date and since inception columns ▪ Copy of DA bank statement / certificate for the closing balance must be attached to the IFR. ▪ Narrative summary to be included at the bottom of the sheet if needed.
<i>Designated Account Activity</i>	▪ Reconciles the designated bank accounts with IFAD's records
<i>Variance Analysis - Reporting Quarter</i>	▪ It is prepared for the Quarter ▪ It compares target cash forecast/quarterly forecast vs. actuals ▪ Management tool for to monitor financial performance ▪ It includes Direct Payments to provide a complete picture
<i>Variance Analysis - Financial Year</i>	▪ It is updated quarterly as part of IFRs ▪ It compares AWPB vs. year to date actuals ▪ Management tool for to monitor financial performance ▪ It includes Direct Payments to provide a complete picture

<i>Variance Analysis - Cumulative</i>	▪ Covers figures since inception ▪ Compares overall project budget vs. cumulative actuals expenditures ▪ It compares AWPB vs. year to date actuals ▪ It includes Direct Payments to provide a complete picture

Other considerations

The following specific issues should be considered in the preparation of the financial reports:

- Accrual related information should be disclosure in the notes of the financial statements. This includes outstanding advances (if any), which, in terms of the cash basis of accounting, should be expensed when provided. This entails that the advance will be recorded in the relevant categories /components at year-end. (NB: Best practice is that zero advances are outstanding at the end of the fiscal year).

Audit matters

Internal Audit

REGEP Up will have the JEDCO Internal Auditor, based at the PMCU. The Internal Auditor will focus on activities at the PMCU. The Internal Auditor will be based at the PMCU and provide ongoing internal audit support and assist the internal audit firm during their reviews. The Internal Auditor will report directly to the Steering Committee on a quarterly basis to ensure that independence is maintained.

The Internal Auditor should perform checks on all project expenditures, including incurred by implementing partners. Specifically, it is required that the internal auditor select a sample of Grants and rural finance loans provided to end-beneficiaries to confirm the eligibility of such loans as per of the internal audit function annual work-plan. In addition, the Internal Auditor may also assess the internal controls implemented by PFIs when approving and disbursing loans to end-beneficiaries and make recommendations for strengthening such controls.

External Audit

Auditing standards

IFAD promotes the use of internationally accepted auditing standards in terms of the International Standards on Auditing (ISA).

Auditor terms of reference

REGEP Up should submit the audit TORs to IFAD for no-objection. The IFAD no objection should be obtained before commencement of the audit.

NB: The auditor terms of reference should specifically include agreed upon procedures related to application of funds for the rural finance component and Grants to end beneficiaries. The procedures

*should focus on the eligibility of expenditures as it relates to loans extended to end-beneficiaries (extended by commercial banks/ACC).– refer **Appendix 1 for example agreed upon procedures.***

Audit opinion and audit package

The audit report will outline the audit opinion on the audited financial statements. The auditor is required to issue an audit opinion in accordance with ISA 70^[1]/705.

The auditor is expected to submit an audit package that at a minimum includes the audited financial statements, the audit report and the management letter. The management letter is an integral part of the audit package, which documents internal control issues identified by the auditor. The management letter should:

- Outline the auditor's recommendations to address identified internal control issues, and the responses to them on the part of the Project's management.
- Where applicable, provide follow-up commentary on the issues identified in the previous year's management letter.
- Include any ineligible expenditures identified during the audit be outlined in the management letter.

Audit reporting period

IFAD generally requires an annual audit of Project financial statements. However, the frequency of the audit may be changed by IFAD as a function of the Project's risk profile. In all instances, IFAD will confirm the frequency with which REGEP's Up financial statements are to be audited.

The audit reporting period may be amended for the first and/or final audits, in line with the following guidance:

- For the first audit, in cases in which the Project commences during the financial year, the following procedures will generally apply:
 - When the period between the first disbursement and the end of the financial year is less than six months, IFAD may allow the results for the first financial period to be included in the following financial year's audit; or
 - When the period between the date of the first disbursement and the financial year-end is greater than six months, audited financial statements for the period are always required.
- For the final audit, IFAD may recommend an audit reporting period that is longer or shorter than 12 months, but that in no case may exceed 18 months. This is to ensure that the final audit can be concluded and the audit report submitted to IFAD by the Project Closing Date.

In such instances, IFAD will discuss and agree on its requirements with the borrower well in advance of commencement of the final audit.

IFAD Audit reviews

IFAD will conduct reviews of REGEPS' Up audit reports. The main purpose of the reviews is to determine whether the Auditor conducted a quality audit resulting in an audit opinion acceptable to IFAD, and to assess the quality of the financial reporting of REGEPS Up. IFAD will communicate the results of the audit report review process within sixty days following receipt of the audit package. If required, REGEPS Up will be requested to take corrective actions within a specified time frame.

Public disclosure of audit reports

IFAD will publicly REGEPS' Up Project financial statements and audit reports, subject to processes applicable to their publication. In line with the standards of the International Aid Transparency Initiative, REGEPS Up is encouraged to publish financial information on its own website, for increased accountability. REGEPS Up must ensure that the audit TORs explicitly mention the right of the REGEPS Up and of IFAD to publish the audit report, with no limitation-of-use clause.

Fixed Asset Management

Fixed asset management is an important process that seeks to track fixed assets for the purposes of financial accounting and to ensure preventive maintenance, and theft deterrence. Adequate Fixed asset maintenance also increases the sustainability of the Project. There are three elements in fixed asset management that require the attention of REGEPS Financial Manager/Financial Specialist:

- Purchase of equipment
- Setting up and maintaining an asset register including verification
- Setting up a plan for disposal and/or handover of the asset once the Project is completed

Purchase of Equipment

The REGEPS Up Project Accountant should follow the following process for each fixed asset purchased:

- Assign a unique, sequential asset number (excluding minor items such as stationary).
- Tag each item with its unique asset number.
- Record the item of equipment in fixed asset register

Fixed asset register

The REGEPS Up Project Accountant must maintain a fixed asset register in the asset management module of the accounting software. The asset register should record the following information for each individual piece of equipment

- Asset description
- Asset number
- Individual responsible for asset
- Source of funding of asset (IFAD, ISdB, government etc),
- Location of the asset
- Date of purchase
- Cost of purchase and invoice number

- Remarks regarding the condition of the asset

The Finance Specialist shall ensure that the consolidated fixed asset register is maintained and updated regularly.

Assets purchased for beneficiary use should be included in the fixed asset register if the assets remain under the ownership of the Project (therefore beneficiaries to return to Project at Project closure).

Asset Verification Review

Under the management of the Financial Manager, REGEP Up must conduct an annual asset verification process whereby the following checks are performed:

- Verify that all fixed assets are still held in the location recorded on the register;
- Confirm the completeness and accuracy of the information recorded on the fixed asset register;
- Check that equipment and vehicles are still in a reasonable state of repair and that remarks regarding the condition of the assets are correct as recorded in the fixed asset register;

The verification review must be performed by different staff from those who use the equipment, to ensure adequate segregation of duty. Discrepancies between the verification exercise and the fixed asset register should be investigated. Where assets are missing or seriously damaged, they should be removed from the asset register. The removal should be formally documented and approved by Financial Manager and Project Director. Moreover, the Financial Manager will undertake random verification of PMCU fixed assets during field visit.

Vehicle Maintenance and Fuel

Fuel

The drivers are required to record all trips and fuel refills in a logbook and collect all the supporting documentation (invoices etc.). The vehicle logbook provides control over the use of the cars as well as fuel consumption.

Project vehicles will be refuelled by drivers before commencement of a long-distance trip with prepaid card..

Vehicle insurance

The Financial Manager should ensure that all Project vehicles are comprehensively covered and that all drivers are noted on the insurance policy. Under no circumstance may uninsured drivers drive the vehicles. The insurance policies should be renewed annually or as stipulated in the policy. The safety of cars is the responsibility of the drivers assigned to the vehicles. Consequently, they must ensure that the vehicles are parked in a secure area when not in use or outside working hours.

Maintenance

The drivers are required to monitor the maintenance of their assigned vehicles. The drivers must notify the PMCU of maintenance needs so that the cars can be serviced on a timely basis. The relevant person in the

PMCU is required to request the car maintenance, subject to approval by the Project Director. The assigned cars must always be taken to the selected garage for repairs and maintenance.

Monitoring of fuel usage

On a monthly basis the JEDCO responsible officer will compare all fuel consumption with the relevant logbooks and prepare an analysis of consumption per vehicle. The analysis will consider the purposes of the trips undertaken with the intention of allocating the monthly fuel expense to the correct budget items in the accounting software.

IFAD financial management support

Overview of IFAD support

IFAD's Procurement and Financial Management Division (PFM) will remain involved with REGEP Up from Project inception (starting at Project design) to Financial Closure to ensure that REGEP Up fiduciary requirements are met.

- ✓ PFM's Finance Officer will establish ongoing contact with the Project, by liaising with the FINANCIAL SPECIALIST and MANAGER and will be available to provide remote support on financial management matters. In addition, PFM will visit REGEP Up during missions to the Project (represented by either the Finance Officer or an appointed consultant). Mission types include supervision missions, mid-term reviews and implementation support missions. During missions, PFM will assess and monitor the adequacy of REGEP Up financial management arrangements such as accounting, budgeting, internal controls, flow of funds, financial reporting and the auditing practices.
- ✓ If financial management arrangements of REGEP Up are deemed acceptable, IFAD will rely on them to provide assurance that the financing proceeds are being used for the intended purposes. In the case that IFAD identifies weaknesses in the financial arrangements, it will require REGEP Up to take the appropriate measures to mitigate those risks.
- ✓ The key findings and recommendations of missions will be captured in the Aid Memoire which is a document which is shared with MOPIC and includes an overview of issues identified and proposed actions to be undertaken by the PMCU/IFAD to address issues identified.

Roles and responsibilities related to IFAD support

REGEP Up will be required to participate in IFAD missions as follow:

Stage	Project roles and responsibilities
<i>Before IFAD missions</i>	• Prepare Appendix 1 of this supervision mission report (template to be provided by IFAD) and submit to the FO/Consultant in electronic format (Excel Workbook, including formulae) <u>before</u> commencement of the mission – the FO/Consultant will specify the date range to be covered within this Appendix . • Complete the Financial Management Assessment Questionnaire (provided by IFAD) and submit to the FO/Consultant in electronic format.

	• Prepare all other information as requested by FO/Consultant before commencement of the mission
<i>During IFAD missions</i>	• Provide the FO/Consultant with all information which was requested before the mission. • Arrange meeting with the auditors (internal and external) and any other selected party requested by the mission. • Ensure that all FM staff are available to assist the FO/Consultant in performing their duties which may include: ◦ Review of financial reports, reconciliations ◦ Physical verification of fixed assets and inventory ◦ Meeting with the auditor ◦ Reviewing and completing the FMAQ • Discuss identified FM weaknesses and risks and assist the FO/Consultant with developing appropriate actions for inclusion in the aide memoire.
<i>After IFAD missions</i>	• Respond to any wrap-queries from the FO/Consultant • Commence with implementing all actions which are included in the Aide Memoire • Update the Action Tracker with all actions raised during the missions.
<i>Ongoing</i>	• Monitor and update the Action Tracker to ensure all actions are implemented in a timely manner. Liaise with IFAD Financial Officer if required. • Respond to ad-hoc queries received from the IFAD Finance Officer or other IFAD staff as it related to FM matters.

Project completion and closure

The Project completion date is defined in the financing agreement and the Project closure date is 6 months thereafter. The following is relevant to period before Project completion up to Project closure:

A notice is sent to the Borrower at least six months prior to the PCD to advise that all applications must be submitted before the closing date, and to remind the Borrower that expenditures incurred and commitments made after the PCD will not be honoured, except for authorised expenditures during the “Winding Up Period” (from PCD to Financing Closing Date). This means that goods are delivered, civil works are completed and services are rendered on or before such date.

After the financing closing date, IFAD informs the Borrower of the formal closure of the loans accounts, provides a history of disbursement transactions and cancels the unused loan/grant balance. A re-amortization plan should be sent where relevant.

STAGE 1	STAGE 2	STEP 3

Up to the Project completion date	Between Project completion and closure	Project closure date
▪ Agree on the audit scope of work with IFAD and obtain no objection ▪ Incur eligible expenditure up to the Project completion date	▪ Commencement of the final audit ▪ Auditor performs the final audit in line with scope of work approved by IFAD ▪ Incur winding up expenditure only (cost of audit, staff salaries, operating costs, Project completion report) ▪ Submit final interim financial report and withdrawal applications; and ▪ Develop an asset handover and disposal plan (include up to date fixed asset register, indicate condition of all assets and to which entity the assets will be transferred.	▪ Submit final audit report on or before the Project closure date ▪ Submit Project completion report on or before the Financial Closure Date (as required in the financing agreement) ▪ Confirm the final withdrawal application with IFAD ▪ Return outstanding advance if applicable (if due and not recovered via recovery process) ▪ Closure of the Loans with IFAD

Asset handover plan

The plan should develop report outlining the following for the purposes of handing over Project assets to the identified beneficiaries:

- The value of all the assets bought under the Project
- Summary of the current condition of the assets,
- To which entity, will the assets be transferred to and on which date and for what purpose.
- List the assets that will be disposed and the reason for being disposed.

Useful links

Document	Link
<i>IFAD financial management e-learning</i>	https://www.ifad.org/elearning_cfs_a/index.html
<i>IFAD anticorruption policy</i>	www.ifad.org/governance/anticorruption/index.htm

<i>How to report any alleged wrongdoing to the Office of Audit and Oversight</i>	https://www.ifad.org/en/anticorruption
<i>IFAD Handbook for Financial Reporting and Auditing of IFAD Funded Projects</i>	https://www.ifad.org/documents/d/new-ifad.org/ifad-handbook-for-financial-reporting-and-auditing-of-ifad-financed-projects_e-pdf
<i>IPSAS Cash Standard</i>	https://www.ifac.org/publications-resources/revised-cash-basis-ipsas
<i>ICP page</i>	https://icp.ifad.org/
<i>ICP support</i>	icpsupport@ifad.org

Annex 1: Auditor terms of reference

1. Background

The International Fund for Agricultural Development (IFAD) and other as specified is aiding the Borrower in the form of a loan and grants. A financing [and/or grant] agreement(s) has/have been signed between IFAD and the Hashemite Kingdom of Jordan; see appendix 1. IFAD requires the Borrower to appoint an independent auditor to audit the accounts related to the Project, in accordance with the IFAD Handbook on Financial Reporting and Auditing. The reporting entity is JEDCO. The entity prepares its financial statements in accordance with the IPSAS Cash Basis of Financial Reporting. The auditor conducts its audit in terms of International Standards for Supreme Audit Institutions (ISSAIs)

Objective

The objective of this audit is to enable the auditor to express an opinion on whether the financial statements present fairly, in all material respects, the financial position of the reporting entity as at [insert year-end date], and/or the results of its operations and its cash flows for the years then ended, in conformity with the [applicable accounting standards].

Responsibilities of the Borrower

I. General

- Provide financial statements for the activities financed by loans/grants/contributions that are reconcilable to its records and accounts.
- Provide the auditor with access to all legal documents and correspondence with consultants, contractors and other persons or firms engaged by the Project, and any other information associated with the Project and deemed necessary by the auditor.
- Ensure that the accounting policies are consistently applied and disclosed.
- Ensure that appropriate internal controls are implemented to prevent misstatements and susceptibility to fraud.
- Ensure compliance with all relevant laws and regulations that pertain to the entity, as well as with the financing agreements between the Borrower and IFAD/IsDB.
- Provide the financial statements to the auditor within a reasonable time and be available for any queries that the auditor may have.

II. Financial statements

The Borrower shall:

- Prepare financial statements covering the reporting period [date] to [date], in accordance with IPSAS Financial Reporting under the Cash Basis of Accounting that will be identified in the Notes to the Financial Statements.

In addition, the following IFAD specific disclosures will be included in the financial statements:

- Budget to actual comparison - refer to Project Financial Manual for illustration.
- Withdrawal application summary – refer to Project Financial Manual for illustration.

- Sources and uses of funds statement – refer to Project Financial Manual for illustration.
- Designated Account statement and reconciliation – refer to Project Financial Manual for illustration.
- Fixed asset schedule - refer to Project Financial Manual for illustration.
- Where the amount transferred to the Implementing Partners (IPs) is substantial, the IPs should transmit a copy of the audited financial statement to the PCMU/PCU.

2. Responsibilities of the auditor

I. Auditing standards

The auditor is responsible for issuing an opinion on the financial statements in accordance with International Standards for Supreme Audit Institutions (ISSAIs).

II. General principles

By agreeing to these terms, the auditor confirms that:

- The firm is independent from the Project, its staff and activities, consistent with international best practices.
- The firm is not currently providing consulting services to the Project or preparing its Project financial statements (nor has it done so in the previous two years).
- The auditor is suitably qualified and a member of a professional body affiliated with the International Federation of Accountants.
- The auditor is able to conduct the audit in accordance with auditing standards acceptable to IFAD, pursuant to paragraph 4 (I) international auditing standards.
- The firm can assign an audit team with the necessary competence and skills.
- The firm has a proven track record in conducting audits of a similar nature and complexity.

Reporting

The auditor is required to deliver an audit package in compliance with ISA 700 and include:

- The audited financial statements, including additional as outlined in paragraph 3 (II).
- A report on factual findings, within the scope of agreed-upon procedures, as outlined in paragraph 6. Any ineligible expenditure identified should be clearly mentioned.
- A management letter, including the information outlined in paragraph 4 (IV)

Management letter

The management letter is an integral part of the audit package that documents accounting and internal control issues identified by the auditors. The format of the management letter should classify the findings by risk priority. The management letter should:

- Provide comments and observations on the accounting records, systems and internal controls examined during the course of the audit, identify specific deficiencies and areas of weakness in systems and controls and make recommendations for their improvement.
- Include the Project management's responses to the identified control issues, and its proposal to address the issues identified within a specific time.
- Where applicable, follow up on the issues identified in the previous year's management letter.

- Provide comments on economy, efficiency, and effectiveness in project management's use of resources.
- Report on the degree of compliance with each financial covenant in the financing agreement and provide comments, if any, on internal and external matters affecting such compliance.
- Communicate matters that have come to their attention during the audit which might have a significant impact on the implementation of the Project.
- Review results and findings on IFR reliability for the reporting period.
- Any other matters that the auditors deem pertinent.

The audit report should provide sufficient detail as to the nature and extent of the procedures performed by the auditor. The auditor is required to provide the audit package by no later than [insert date]. Reports are to be delivered in English.

Scope of the financial audit

In performing the audit, the auditor shall, at a minimum:

- Confirm whether the financial statements have been prepared following international (IPSAS), standards; in the latter case, identify elements of difference with the international standards.
- Confirm the auditing standards used for the audit.
- Obtain audit evidence that the financial statements are fairly presented and free of material misstatements, in accordance with the applicable accounting framework.
- Assess internal controls related to the financial reporting process, and identify any weakness that might result in misstatements, whether due to fraud or to error.
- Verify the reliability of the IFRs, as the case may be, used to support withdrawal applications and ensure that they are reliable and accurately reflect expenditures incurred and activities carried out during the reporting period.
- Verify whether expenditure incurred in the name of the Project is consistent with the terms of the financing agreement(s) and incurred for the purposes intended in this agreement. Both IFAD and third-party funding should be considered;
- Verify whether counterpart funds provided by the Hashemite Kingdom of Jordan have been provided and used in accordance with the relevant financing agreement; verify that the amount of in-kind contribution is reported according to the agreed accounting principles and that the reported fair-market value for all in-kind contribution items is reasonable and fully and accurately disclosed in the financial statements.
- Verify that the inventory and the fixed assets held by the entity exist, are complete, are properly accounted and are used for the Project purposes; at project closure, confirm that the project assets are transferred to the borrower /recipient or the entity identified in the financing agreement.
- Verify the project's recurrent costs (salaries and operating costs) claimed under WAs and ensure they are reasonable, congruent with the implementation needs of the project and within the acceptable threshold (FA schedule II and its revisions).
- The audit should cover selected project regional/provincial implementing units as per the audit plan agreed with the PCMU.

Scope of the agreed-upon procedures

The auditor is required to perform the following specific procedures and report on factual findings, as required in paragraph 4 (III):

Withdrawal application statement

The auditor is requested to obtain the individual withdrawal applications (WAs) submitted to IFAD, as summarized in the withdrawal application statement, and develop test procedures to:

- Confirm that the withdrawal application statement is reconciled with the amounts disbursed by the Fund and deposited to the designated account (DA).
- Confirm that the withdrawal application statement is reconciled with the IFRs submitted to the Fund.
- Ascertain whether the designated account currency equivalent was determined using the historical exchange rate of transfers to the operating account or the accounting rules used.

Designated account reconciliation

The auditor is requested to review the activities of the designated associated with the project, including the initial advance, replenishments, interest that accrue on the outstanding and year-end balances. The auditor is requested to develop test procedures to:

- Check the accuracy of the DA reconciliation.
- Confirm that the designated account has been maintained in accordance with the provisions of the financing agreement / FMFCL and that transactions from the DAs are accurately and correctly recorded in the financial accounts and statements of the project.
- Check that expenditures as reported in the project's financial statements are reconciled with the amounts withdraw from the DA and that the amounts deposited to the DA are reconciled with the amounts disbursed by the Fund.
- Reconciliation should also be made with the amounts paid from the prefinancing account and direct payments (if any).

Interim Financial Reports (IFRs)

The auditor is requested to obtain the certified IFRs as submitted to IFAD and apply such tests and control as the auditor deems necessary under the circumstances, to:

- Ascertain that the financial management system is reliable to produce the IFRs and had met Fund requirement during the year.
- Determine whether the expenditures incurred are related to activities outlined in the AWPB and consistent with the grant agreement.
- Determine whether the funds have been utilized for the intended purposes, with due regard to economy, efficiency and social equity.
- Determine whether the expenditures claimed through IFRs were properly and appropriately authorized, classified and supported by adequate documentation.
- Identify any ineligible expenditures, including the nature of the ineligible expenditures, the date incurred, and the IFR period.

Other

The auditor is requested to review the following:

- Select sample of loans (10%) extended in the FY 20xx through Central Bank of Jordan/ ACC and their participating banks to end beneficiaries and determine whether they (including SME loans and microloans) were used for intended purposes in accordance with the terms of financing agreement. The loans issued through credit lines these are not properly used in accordance with terms of financing agreement must be quantified and reported. As part of the procedures to determine if funds provided were, used for intended purposes, the Auditor should carry field visit to perform end-use reviews for the aforementioned sample.
- Select sample of grants (10%) extended in the FY 20xx through the Grants Window to end beneficiaries and determine whether they were used for intended purposes in accordance with the terms of financing agreement. The grants issued through the Grants Window that are not properly used in accordance with terms of the financing agreement must be quantified and reported. As part of the procedures to determine if funds provided were, used for intended purposes, the Auditor should carry field visit to perform end-use reviews for the aforementioned sample.
- Review procurement procedures to determine whether sound commercial practices, including competition were used, reasonable prices were obtained, and adequate controls were in place over the qualities and quantities received.
- Review goods and works as applicable procured to determine whether they exist or used for their intended purposes in accordance with the terms of financing agreements, and whether control procedures exist and been placed in operation to adequately safeguard them. As part of the procedures to determine if they were, used for intended purposes, the auditors should perform end-use reviews for an appropriate sample of all items based on the control risk assessment. End-use reviews may include site visits to verify their existence or their use for their intended purposes in accordance with the objectives of the project. Questionable items must be, quantified and reported.
- Review technical assistance and services procured to determine whether they were, used for intended purposes in accordance with the terms of financing agreements. The cost of technical assistance and services not properly used in accordance with terms of financing agreements must be, quantified and reported.

Public disclosure

IFAD promotes public disclosure of Project financial information to enhance the level of transparency and accountability. IFAD will disclose Project audit reports, as appropriate, in line with the Fund's disclosure policy. Management Letters issued by auditors are not subject to public disclosure by IFAD. In agreeing to the terms of reference, the auditor explicitly acknowledges IFAD's right to publicly disclose audit reports (audited financial statements and audit opinion) and will issue reports without a limitation of use clause.

To facilitate the public disclosure process, the auditor is requested to submit two separate files as follows:

- Audited financial statements, audit opinion and report on factual findings.
- Management Letter.

Appendices

Appendix: Financing/loan agreement(s)

Appendix: Letter to the Borrower

Appendix: IFAD Handbook on Financial Reporting and Auditing of IFAD-financed Projects

Appendix: IFAD General Conditions for Agricultural Develop Financing

Annex 2 – Supporting documentation

Supporting documentation is generated for all expenditure incurred by Projects. The following important requirements are applicable to supporting documentation:

- The Borrower / Recipient must retain separate accounts and records related to the Project for at least 10 years after Financing Close. “Records” include all supporting documentation which confirms the eligibility of expenditure.
- Supporting documentation should be retained for all project expenditure incurred, including expenditure incurred by implementing partners
- Projects should retain original versions of supporting documentation (in hard copy). It is preferred that electronic copies be retained as back-up.

Supporting documentation by type of expenditure:

Pro forma invoices are not acceptable replacements for invoices. In all instances, supporting documentation need to include final invoices.

Workshop and training:

- Approved request for workshop from originating department
- Copy of applicable procurement policy and evidence of application of policy
- Purchase order issued to training venue, duly authorised.
- Reference to AWPB line item – clear linkage to project activities
- Copy of workshop agenda which shows clear linkage to project
- Invoice for training venue hire / equipment hire/ refreshments
- Copies of invitation letters to participants
- List of participants duly signed
- Training workshop agenda and report
- Payment requisition to evidence entry into accounting records
- Copy of bank statement showing payment

Consultancies:

- Approved request for consultancy from originating department
- Copy of applicable procurement policy
- IFAD no-objection email (if applicable)
- Signed consultancy contract
- Reference to AWPB line item
- Copy of consultant deliverable
- Evidence that consultant deliverable was reviewed
- Copy of consultant invoice.
- Payment requisition / journal voucher
- Copy of bank statement showing payment of invoice

Civil works:

- Approved request for civils works from originating department
- Copy of applicable procurement policy
- Evidence of application of procurement policy
- IFAD no-objection email
- Signed contract for civil works
- Purchase order
- Reference to AWPB line item – clear linkage to project activities.
- Invoice indicating related milestone/progress to be paid for.
- Progress report prepared by consulting engineer
- Bank guarantee for advance payments (if applicable)
- Payment requisition / journal voucher to evidence entry into records
- Copy of bank statement showing payment of invoice

Salaries and wages:

- Reference to AWPB line item – clear linkage to project activities
- Employee contracts, appointment letters
- Copies of employee remuneration related policies
- Summary of salary payment– reconciled to individual payslips
- For seconded / part-time staff subject to cost sharing – detailed calculation to support the apportionment applied.
- Evidence that consultant deliverable was reviewed
- Copy of consultant invoice.
- Payment requisition to evidence entry into accounting records
- Copy of bank statement showing payments to individual employees.

Travel:

- Approved travel request
- IFAD no-objection Reference to AWPB line item
- Copy of travel related policies
- All travel details
- Back to the office
- Invoices for flights / accommodation
- Payment requisition to evidence entry into accounting records
- Copy of bank statement showing payments.
- Petty cash vouchers – for cash advances

Lines of credit:

- Request for advance from MFI
- Confirmation that previous advances have been justified
- Payment requisition to evidence entry into accounting records
- Copy of bank statement showing advance
- Signed agreement

Annex 3: Quarterly Interim Financial Report Template

Appendix 3: Quarterly Interim Financial Report Template

Report I: Cash Forecast for Next 2 Quarters

Rural Empowerment and Agricultural Development Project
Interim Financial Report No.

Project ID:

For the Period:

To

Disbursement Category	Ref	BRAM Loan			PBAS Loan		
		Next Reporting Quarter	Following Reporting Quarter	Total for 2 Reporting Quarters	Next Reporting Quarter	Following Reporting Quarter	Total for 2 Reporting Quarters
		A	B	C	D	E	F
		Currency (xx)			Currency (xx)		
Forecast by Category:							
1		-	-	-	-	-	-
2		-	-	-	-	-	-
3		-	-	-	-	-	-
4		-	-	-	-	-	-
5		-	-	-	-	-	-
6		-	-	-	-	-	-
7		-	-	-	-	-	-
8		-	-	-	-	-	-
Total	I	-	-	-	-	-	-
Forecast by Component:							
1		-	-	-	-	-	-
2		-	-	-	-	-	-
3		-	-	-	-	-	-
Total (must be equal to I)	II	-	-	-	-	-	-
Total Cash Forecast Expenditure	III	-	-	-	-	-	-
Less: Planned Direct Payments/Reimbursements	IV	-	-	-	-	-	-
Net projected expenditure from DA	V=III-IV			-			

Report II: Summary of Sources and Uses of Funds - DA Account

Rural Empowerment and Agricultural Development Project
Interim Financial Report No.

Project ID:

For the Period:

TO

Description	REF	BRAM Loan			PBAS Loan		
		Quarter	Year To-Date	Inception To-Date	Quarter	Year To-Date	Inception To-Date
		A	B	C	D	E	F
		Currency (us)			Currency (us)		
Sources of Funds:							
DA Opening Balances		-	-	-	-	-	-
Operating account opening balance		-	-	-	-	-	-
Petty cash opening balance		-	-	-	-	-	-
Funds received		-	-	-	-	-	-
Total Cash Available	I	-	-	-	-	-	-
Uses of Funds by Category:		Actual for Qtr	Actual for FY	Actual since inception	Actual for Qtr	Actual for FY	Actual since inception
0		-	-	-	-	-	-
0		-	-	-	-	-	-
0		-	-	-	-	-	-
0		-	-	-	-	-	-
0		-	-	-	-	-	-
0		-	-	-	-	-	-
0		-	-	-	-	-	-
Total Funds Used by Categories	II	-	-	-	-	-	-
Uses of Funds by Component:							
0		-	-	-	-	-	-
0		-	-	-	-	-	-
0		-	-	-	-	-	-
Total Funds Used by Component (must be equal to II)	III	-	-	-	-	-	-
Category not yet identified/Adjustment/advance, if any	IV	-	-	-	-	-	-
Closing Cash Balances:	V=I-II-IV	-	-	-	-	-	-
Represented by:							
DA Closing Balance		-	-	-	-	-	-
Operating account Closing Balance		-	-	-	-	-	-
Petty cash Closing Balance		-	-	-	-	-	-
Total Closing Balance (must equal V):	VI	-	-	-	-	-	-

Report III: Designated Account Activity Statement			
Rural Empowerment and Agricultural Development Project			
Interim Financial Report No.			
Project ID:			
For the Period:		0-Jan-1900	0-Jan-1900
PART I			
	IFAD LOAN PBAS	IFAD LOAN BRAM	Remarks
	US\$	US\$	
PART I (Advances and Expenditure)			
1. Cumulative Advances into the DA by IFAD to the end of Reporting Quarter	-	-	
2. Cumulative Expenditure justified by IFAD until the end of previous reporting Quarter	-	-	This should match with IFAD records. In case of any differences between project figures and justified figures as per IFAD records, it has to be explained in Line 11 below.
3. Outstanding Advances to be accounted for (Line 1 minus Line 2)	-	-	This should match with IFAD records.
PART II (DA Activity)			
4. DA balance at beginning of Reporting Quarter	-	-	
5. Advances by IFAD during the Quarter	-	-	
6. Add/Subtract - Cumulative Adjustments (if any)	-	-	If not zero, please provide explanation
7. Sub total of Advances and Adjustments (Line 5 plus Line 6)	-	-	
8. Outstanding Advances to be accounted for (Line 4 plus Line 7)	-	-	
9. DA balance at end of Quarter	-	-	
10. Expenditure incurred during the Reporting Quarter	-	-	
11. Add/Less - Adjustments (if any)	-	-	If not zero, please provide explanation
12. Total expenditure reported (net of adjustments) (Line 10 plus Line 11)	-	-	
13. Total Advance accounted for: Add Line 9 and Line 12	-	-	
14. Difference if any (Line 8 minus Line 13)	-	-	If not zero, please provide explanation
PART III (CASH FORECASTS)			
15. Total Forecasted amount for subsequent 2 Quarters	-	-	
16. Planned Direct Payments, Reimbursements, if any	-	-	
17. Net Forecasted Expenditures from Designated Account (Line 15 less Line 16)	-	-	
18. Closing DA balance at the end of reporting Quarter after adjustments	-	-	
19. WAS submitted but not yet credited, if any.	-	-	If not zero, please provide explanation
20. Any replenishments by IFAD after the closing of current reporting Quarter	-	-	If not zero, please provide explanation
21. Replenishment Requirement for Subsequent 2 Reporting Quarters (Line 17 minus Line 18 to 20)	-	-	
PART IV (SUMMARY OF WITHDRAWAL APPLICATION)			
22. Amounts to be justified against the expenditure incurred during current quarter	-	-	This amount is to be submitted as justification through the "WA for justification" *this line could be not considered for emergency advances applications
23. DA Additional Advance - Cash requirement for Subsequent 2 Reporting Quarters, if required.*	-	-	This amount is to be submitted through a separate "WA for advance" to request this additional advance
Explanation for Line 2 (if not matching with IFAD records): FMR & AW Ref.			
Supporting documents for rejected expenses had been submitted to IFAD for reconsiderations			
Explanation for Line 6 (if not zero): FMR & AW Ref.			
Explanation for Line 11 (if not zero): FMR & AW Ref.			
Supporting documents for rejected expenses had been submitted to IFAD for reconsiderations			
Explanation for item 14 (if not zero): FMR & AW Ref.			

Rural Empowerment and Agricultural Development Project
Interim Financial Report No.
Project ID:
For the Period:

	BRAM Loan					PBAS Loan				
	Planned	Actual Expenditure from DA	Direct Payment/Reimbursement s	Variance*		Planned	Actual Expenditure from DA	Direct Payment/Reimbursement s	Variance*	
	A	B	C	D	E	F	G	H	I	J
	Rel. AWFF Forecast	Actual for the Quarter	Actual for the Quarter	A-B-C	DEA	Rel. AWFF Forecast	Actual for the Quarter	Actual for the Quarter	F - G - H	IF
	Currency (xx)			%age		Currency (xx)			%age	
Expenditure by Categories:	0	-	-	-		0	-	-	-	
	0	-	-	-		0	-	-	-	
	0	-	-	-		0	-	-	-	
	0	-	-	-		0	-	-	-	
	0	-	-	-		0	-	-	-	
	0	-	-	-		0	-	-	-	
	0	-	-	-		0	-	-	-	
TOTAL	I						-	-	-	
Expenditure by Components:	0	-	-	-		0	-	-	-	
	0	-	-	-		0	-	-	-	
	0	-	-	-		0	-	-	-	
TOTAL	II (must be equal to I)						-	-	-	

Rural Empowerment and Agricultural Development Project
Interim Financial Report No.
Project ID:
For the Period:

[illegible]

Rural Empowerment and Agricultural Development Project
Interim Financial Report No.
Project ID:
For the Period:

	BRAM Loan						PBAS Loan					
	Planned	Actual Expenditure from DA	Direct Payment/ Reimbursements	Balance	Progress		Planned	Actual Expenditure from DA	Direct Payment/ Reimbursements	Balance	Progress	
	A	B	C	D	E		F	G	H	I	J	
	As per Project Design	Actual Cumulative	Actual Cumulative	A-B-C	DA		As per Project Design	Actual Cumulative	Actual Cumulative	F - G - H	I/J	
	Currency (xx)				%age		Currency (xx)				%age	
Expenditure by Categories:												
✓	0	-	-	-	-		-	-	-	-	-	
✓	0	-	-	-	-		-	-	-	-	-	
✓	0	-	-	-	-		-	-	-	-	-	
✓	0	-	-	-	-		-	-	-	-	-	
✓	0	-	-	-	-		-	-	-	-	-	
✓	0	-	-	-	-		-	-	-	-	-	
✓	0	-	-	-	-		-	-	-	-	-	
TOTAL	I	-	-	-	-		-	-	-	-	-	
Expenditure by Components:												
0	-	-	-	-	-		-	-	-	-	-	
0	-	-	-	-	-		-	-	-	-	-	
0	-	-	-	-	-		-	-	-	-	-	
TOTAL	II (must be equal to I)	-	-	-	-		-	-	-	-	-	

7 PROCUREMENT AND CONTRACT MANAGEMENT

Procurement Assessment

In 2022, the Hashemite Kingdom of Jordan has modernized its procurement framework by issuing Regulations No. 8 and 15 that further align with the digitization, sustainability and anti-corruption agendas. The Jordanian e-procurement system (www.joneps.gov.jo) is operational for centralized procurement. Despite presence of several policy papers, guidance documents, and instructions, there is no compiled manual that guides practitioners and economic operators on public procurement. Despite issuance of new standard procurement documents for goods and works in 2024, the public sector still lacks a standard request for proposals for consulting services. There are, however, standard forms of contract for engineering design and supervision services.

Procurement risks relate mainly to vague international publicity requirements, limited use of e-procurement, absence of tangible sustainability practices, limited types of standard procurement documents, absence of strategic procurement planning, absence of SECAP monitoring experiences, challenges associated with grant management, and dilution of responsibilities among multiple procurement committees and project stakeholders. Project Procurement is affected by a number of institutional aspects such as the roles of various committees, a hybrid approach of centralized and decentralized procurement, central purchasing and tendering departments, the use of JONEPS- the Jordanian e-procurement platform- and the role of central procurement regulatory commission, supreme audit and complaints bodies.

Based on the assessment of the Jordanian procurement framework and in line with experiences in previous and ongoing IFAD Projects in Jordan, procurement under REGEP-UP will be in accordance with national procurement regulations to the extent such are consistent with the latest IFAD Project Procurement Guidelines and IFAD Procurement Handbook. This will apply to all funds under REGEP-UP. The National system will be applied to all procurements except for Goods, Works and related Non-consulting services above the threshold for international competitive bidding (ICB) that will be undertaken according to the IFAD Procurement Handbook and in line with IFAD Standard Procurement Documents. The same applies for all consulting services that will also follow the IFAD Procurement Handbook and Standard Procurement Documents. For other procurement methods (NCB and Shopping), national procurement documents, amended to reflect minimum IFAD standards, will be used. As for grants, memoranda or understanding/agreement, and other types of agreements, these shall be based on templates pre-approved by IFAD. Implementing Entities agree to apply a margin of preference based on the bidder's UNGC (United Nations Global Compact) participation when conducting national and international competitive bidding procurement for goods, works and consulting services. Such preferences are elaborated in annex to the PIM.

The detailed manual offering project procurement rules and guidance is as follows:

Applicable Procurement Rules

As per the Procurement Arrangement Letter (PAL), the following procurement rules shall apply:

Procurement of goods, works and services shall be carried out in accordance with the provisions of the **borrower/recipient's procurement regulations, to the extent such are consistent with the IFAD Project Procurement Guidelines**¹⁶.

The **Project Management Unit** (established at JEDCO and other PCMUs established at other implementing partners) will fully abide by the provisions of the Financing Agreement, Project Design Report, PAL, and IFAD Project Procurement Guidelines as well as with IFAD Procurement Handbook based on the above. The provisions of such references are not repeated here, and the **Project Management Unit** shall persistently consult with the same.

The **Project Management Unit** will endeavor to recruit, train and sustain procurement staff in the required numbers and qualifications as specified in the Financing agreement. The **Project Management Unit** will ensure that any procurement staff is well versed with this Manual and with National procurement rules and IFAD procurement Guidelines as well as with IFAD Procurement Handbook.

Procurement Methods, Thresholds and Prior Review

Procurement Plans (PP)

The PP shall be prepared using the integrated OPEN interactive interface and shall be fully aligned with the AWPB, and shall be submitted for No Objection sufficiently in advance before the planned start of any procurement activity in the plan. No procurement activity shall start unless it is present in a PP that received a No Objection. The PP shall be updated with actual dates/figures and shall be upgraded for any changes in the procurement methods, addition of activities, elimination of others, increases in the budget, etc. Any upgrade to the PP shall also be submitted for No Objection through OPEN. Procurement activities and their respective methods and timelines shall be strictly adhered to. Further guidance on estimation of costs and schedule is provided under Section 3.2 of this PIM.

The first PP shall be for an 18-months period and subsequent PP's shall be on an annual basis. At the end of each period, all outstanding procurement activities (i.e. not contracted yet) shall be automatically transferred to the upcoming PP with its planned and achieved actual dates included as well.

Regardless of the time limits established by National procurement rules (if applicable), the time limits pre-designed into the PP template and automatically generated by it will be fully respected.

IFAD's No Objection will be secured prior to publishing any General Procurement Notice (GPN). The GPN template is available at www.ifad.org/project-procurement. While the publication of an initial GPN (covering first 18 months of implementation) is mandatory, the subsequent publication of annual GPN's is highly recommended. The GPN should mandatorily include all open procurement methods (i.e. REOI, Request for Prequalification, openly advertised consulting services, ICB and NCB) and preferably also other non-open procurement activities (e.g. prior-list based consulting services, shopping, Limited International Bidding, Direct Contracting and Single Source Selection).

Contract Register (CR) and the Contract Monitoring

The PCMU shall ensure that all contracts are managed through OPEN which will automatically generate all signed contracts uploaded to the system. The CR generated by the system is a cumulative document that is augmented progressively with the new contracts signed, amendments to existing contracts and payments

¹⁶ Any reference to IFAD Project Procurement Guidelines also includes the IFAD Procurement Handbook. Ensuring that applicable procurement rules are consistent with IFAD's Project Procurement Guidelines is mandatory; the Handbook is used as a guidance document for the borrower/recipient. For both the Guidelines and the Handbook, the latest version shall always apply.

made on such contracts. The PCMU shall ensure that all contracts (procurement or grants) and purchase orders are included in the CR.

The **Project Management Unit** will adopt OPEM interface for managing contracts; the Unit will dedicate sufficient resources to use and operate and generate reports from this system as instructed by IFAD.

The use of OPEN is a mandatory platform for the recording and monitoring of all contracts. It includes

- procurement contracts (goods, works, services, and non-consulting services): all contracts and purchase orders signed based on the PP covering all procurement methods and contract types;
- Grants (all first-level in kind and monetary grants): The procurement method for Grants will include competitive methods or non-competitive methods such as SSS or Selection based on project design/PIM; competitive methods are always recommended unless duly justified and exceptional;
- Implementing Partner contracts (MoU, MoA): including all agreements with all types of third parties who will be delegated procurement authority such as UN agencies and community participation contracts whether contracted competitively or not; procurement methods for these implementing partners are the following:
 - o Community contract (single source selection)
 - o Community contract (recipient or selection process defined at design/PIM)
 - o Community contract (competitive selection)
 - o Governmental body / State owned enterprises
 - o UN agency (competitive selection)
 - o UN agency (single source selection)
 - o NGO / International Organization (competitive selection)
 - o NGO / International Organization (single source selection)
 - o Etc.
- Subsidiary financing agreements and investment agreements: typically include financing contracts for micro-credit loans and other types of loans. In this case, only the first-level financing or refinancing contract selected using one of two methods shall be entered in the CMT:
 - o Selection as defined in Design/PIM; or
 - o Single Source Selection.

Tabular Summary of Applicable Methods and Thresholds

The default procurement method for goods, works and non-consulting services is the ICB; however, for procurement activities estimated to cost less than the ICB threshold, other procurement methods may be used as per the below table.

The default procurement method for consulting services (and non-consulting services similar to them) is the QCBS; however, for procurement activities estimated to cost less than the QCBS threshold, other procurement methods may be used as per the below table.

Procurement Methods, Thresholds and Time-limits¹⁷

Procurement Methods è	DC (Direct Contracting)	Shopping (limited Request for Quotations)	NCB (National Open Bidding) ¹⁸	ICB (International Open Bidding)	PRIOR Review
Project Types and Time limits è					
Goods/NCS	Post Review: < 1,000 US\$ per proc. < US\$ 10,000 aggregated per year	≤ 100,000 US\$	< 200,000 US\$	≥ 200,000 US\$	≥ 70,000 US\$
Works/NCS	Post Review: < 2,000 US\$ per proc. < 10,000 US\$ aggregated per year	≤ 250,000 US\$	< 1,000,000 US\$	≥ 1,000,000 US\$	≥ 150,000 US\$
Minimum Time Limit to submit quotes/bids from launch	n/a	14 days	30 days	45 days	
Minimum Time limit for bidders to ask questions (measured from deadline)	Same day	7 days	15 days	25 days	
Minimum Time limit for PCMU to answer questions (measured from deadline)	Same day	5 days	10 days	20 days	
	SSS	CQS¹⁹	QBS, FBS, LCS	QCBS	PRIOR Review
Consulting Services / NCS - Firms	Post Review: < 1,000 US\$ per proc. < 10,000 US\$ aggregated per year	≤ 70,000 US\$	QBS: any value FBS & LCS: < 150,000 US\$	≥ 150,000 US\$	> <u>60,000</u> US\$
Shortlisting	Shortlisting using REOI is mandatory for CQS and ICS; Shortlisting (REOI or Prior List) is mandatory for all other methods ≥ 180,000 US\$ Advertisement is mandatory for consultancy contracts estimated to cost 100,000 US\$ or more, regardless of the selection method				
Minimum Time Limit to submit proposals from launch	n/a	21 days (REOI) 21 days (RFP)	21 days (REOI) 45 days (RFP)	21 days (REOI) 45 days (RFP)	
Minimum Time limit for bidders to ask questions (measured from deadline)	Same day	10 days (REOI) 10 days (RFP)	10 days (REOI) 25 days (RFP)	10 days (REOI) 25 days (RFP)	
Minimum Time limit for PCMU to answer questions (measured from deadline)	Same day	8 days (REOI) 8 days (RFP)	8 days (REOI) 20 days (RFP)	8 days (REOI) 20 days (RFP)	

¹⁷ The time limits in this table are minimum periods; the actual dates generated by the Procurement Plan for bid/proposal submission will be the ones adopted for each procurement activity.

¹⁸ A waiver for the use of this method beyond this threshold can be requested for individual activities with proper justification.

¹⁹ A waiver for the use of this method beyond this threshold can be requested for individual activities with proper justification.

Individual	Post Review: < 500 US\$ per proc. < 5,000 US\$ aggregated per year	Competitive ICS applies to contracts with individuals regardless of the value	≥ 30,000 US\$
Minimum Time Limit to submit proposals from launch	n/a	21 days (REOI) 21 days (RFP)	
Minimum Time limit for bidders to ask questions (measured from deadline)	Same day	10 days (REOI) 10 days (RFP)	
Minimum Time limit for PCMU to answer questions (measured from deadline)	Same day	8 days (REOI) 8 days (RFP)	
• Post Review DC or SSS are cleared in advance as part of Procurement Plan approval. All other DC or SSS procedures are subject to Prior Review • Force Account may be used if justified and included in the PAL and Procurement Plan and is subject to Prior Approval. • Secondary Procurement (orders against existing Long-term Agreements, national e-catalogues etc.) follows the regulations and applicable thresholds of the national legislation. The prior review threshold of the respective procurement category (goods, works, consulting services and related non-consulting services) applies.			

Table 1 - Applicable Methods, Thresholds and time limits

Special Procurement Arrangements

Based on the Financing Agreement, PAL and the Project Design Report, the following procurement arrangements apply:

Arrangement	Yes/No	Comments
Force Account	No	
UNGC Terms	Yes	The preference for UNGC is allowed. UNGC participation will be applied to procurement activities utilizing the procurement methods of International Competitive Bidding (ICB), National Competitive Bidding (NCB), and Quality and Cost-Based Selection (QCBS).
Procurement of Commodities	No	
Procurement from UN Agencies	Yes	No particular provision in the design for procurement from UN Agencies; however, it is recommended to keep the door open in the PAL.
Procurement with Community Participation	No	
Domestic Preference for ICB Works	Yes	7.5%
Domestic Preference for ICB Goods	Yes	15%
Central Purchasing in Jordan	Yes	As per national law, goods/services exceeding JOD 60,000 and works exceeding JOD 500,000 shall be procured by the Government Procurement Department and Government Tender Department, respectively.
Implementing Partners	Yes	All implementing partners with a procurement authority in the project are national (public sector) entities. NGOs classified as implementing partners shall not exercise procurement authority on behalf of the project or PCMU; their role will be as elaborated in the design/PIM and basically revolving around grant management.

Table 2 - Applicable Procurement Arrangements

Standard Procurement Documents (SPD) to be used

The PAL states which SPD's will be used; in case national templates need to be used, they need to be reviewed by IFAD in advance. The PCMU shall use national procurement documents as long as they are

supplemented/adapted to meet IFAD's SECAP standards and grievance mechanisms and the IFAD's Project Procurement Guidelines and IFAD Procurement Handbook.²⁰

The following Standard Bidding Documents shall be adopted by the Project for all procurement activities:

Procurement Method/Process	Standard Procurement Documents
Procurement Plan	<i>IFAD template on OPEN</i>
GPN	<i>IFAD template</i>
SPN	<i>National template</i>
ICB Works/NCS	<i>IFAD SPD</i>
ICB Goods/NCS	<i>IFAD SPD</i>
NCB Goods/NCS	<i>National SPD</i>
NCB Goods/NCS	<i>National SPD</i>
Shopping Works/NCS	<i>National SPD</i>
Shopping Goods/NCS	<i>National SPD</i>
Direct Contracting	<i>National Standard Contract</i>
Request for Pre-qualification	<i>National SPD</i>
REOI	<i>IFAD SPD</i>
QCBS	<i>IFAD SPD</i>
QBS, FBS, LCS	<i>IFAD SPD</i>
CQS, ICS	<i>IFAD SPD</i>
SSS	<i>IFAD template</i>
Prequalification Report	<i>National SPD</i>
Shortlisting Report	<i>National template</i>
Evaluation Report	<i>IFAD template (ICB, and consulting services)</i>
Negotiation Report	<i>National template</i>
NOITA	<i>IFAD template</i>
NoA	<i>IFAD template</i>

Table 3 - Applicable Standard Procurement Documents

If National documents and templates are permitted as per the above table, the **Project Management Unit** will be responsible to ensure absence of any contradictions with IFAD's Guidelines. National procurement documents shall be amended to eliminate any inconsistency highlighted in Section "Critical Procurement Issues" below.

²⁰ Further detail is available in Annex 4 to Volume 1 of IFAD's Social Environmental Climate Assessment Procedure (SECAP) 2020.

IFAD's Standard Procurement Documents are available at www.ifad.org/project-procurement and may be reached directly at: <https://www.ifad.org/web/guest/document-detail/asset/42187284>.

Guidance Offered in the IFAD Procurement Handbook

Application of the Handbook

The IFAD Procurement Handbook includes “best practice advice on all elements of the procurement process for any IFAD-financed operation. It serves as a guidance document when country systems are used, and as an operations manual when IFAD systems are solely used.”

In the implementation of this Project:

The **Project Management Unit** will rely on the Handbook for Guidance where National Procurement complies with IFAD Procurement Guidelines and will rely on the Handbook strictly for areas where National Procurement contradicts the provisions of IFAD Guidelines. These areas of contradiction are spelled out in section “Critical Procurement Issues” below.

Key Provisions of the Handbook

Based on the above, the **Project Management Unit** will refer to the Handbook following the below guidance on relevant sections for various procurement aspects (handbook available at the following link: <https://www.ifad.org/web/guest/document-detail/asset/39501121>).

Procurement Aspect	Reference in the Handbook
Procurement Planning and GPN	Module C
Procurement and Selection Methods	Goods, Works and NCS: Module F1 Consulting Services and NCS: Module F2
Direct Contracting and Single Sourcing	Goods, Works and NCS: Module F1 (Section 6) Consulting Services and NCS: Module F2 (Section 6)
Individual Consultants	Module F2 (Section 7)
Technical Specifications and Terms of Reference	Need identification: Module D Requirements & Specifications for Goods: Module E1 Requirements & Specifications for Works: Module E2 Terms of Reference: Module E3
Prequalification and Shortlisting	Module G
Preparation of Procurement Documents	Goods: Module H1 Works: Module H2 Consulting Services: Module H3 Contract Types: Module J
Bidding Process	Module I
Evaluation	General: Module K1

	General Goods, Works and NCS: Module K2 Goods: Module K3 Works: Module K4 General Consulting Services: Module K5 QCBS: Module K6 LCS: Module K7 NCS: Module K8 Abnormally Low Bids (all methods): Module K9 Post-qualification(all methods): K10 Rejection of All Bids: Module O1
Formation of Evaluation committees	Module K1
Notifications for Intent to Award and for Award	NOITA: Module L1 NoA: Module L2
Standstill and Debriefs	Module M1
Protests and Appeals	Module M2
Negotiations and discussions	Negotiations (Consulting Services): Module N1 Discussions (Goods, Works and Services): Module N2
Contract Award	Module O2 and O3
Contract Management	Module P
Force Account	Module F1 (Section 7)
Community Participation	Module Q
Procurement from UN Agencies	Module F1 (Section 9)
Records Management	Module B

Table 4 - Mapping of Procurement Guidance in the Handbook

Prior Review Documentation

All prior review submissions shall be communicated and No Objections issued through the Online Project Procurement End-to-End System (OPEN). Through OPEN, the PCMU will also upload all documentation for post review activities in a timely manner. The below are the No Objection requirements for all transactions listed in the PAL:

Procurement Plan (PP)

The **Project Management Unit** shall ensure IFAD's no Objection on each of the following:

1. The initial 18-months PP;

2. Annual PP's, subsequently; and
3. Any upgrade to the PP.

The General Procurement Notice(s) (GPN)

The **Project Management Unit** shall ensure IFAD's no Objection on each of the GPN's before publication.

ICB/NCB (Goods, Works, Non-Consulting Services)

Submission through OPEN for No Objection shall be for the following procurement files and documents:

1. Specific Procurement Notice (Announcement);
2. Prequalification documents (if applicable) as well as Announcement for Prequalification;
3. Prequalification report (if applicable);
4. Bidding documents inclusive of Technical Specifications (including cost estimates and, as applicable, drawings, Bills of quantities, and schedules of requirements);
5. Any amendments to the Bidding Documents;
6. Evaluation Reports (including Bid Opening Reports) inclusive of all clarifications; in case of two-envelope procedure, separate opening and evaluation reports for the Technical envelopes and the Financial Envelopes in addition to a Combined report combining both;
7. Draft Contract duly filled;
8. Signed contract (for information and record);
9. Major contract amendments;
10. Cumulative Contract amendments²¹ exceeding 10% of the original contract value (Module P2, article 2 (v)); and
11. Cumulative Contract extensions exceeding 25% of the original contract duration (Module P2, article 2 (v)).

Shopping (Goods, Works, Non-Consulting Services)

Submission through OPEN for No Objection shall be for the following procurement files and documents:

1. Request for Quotations inclusive of Technical Specifications (including cost estimates and, as applicable, drawings, Bills of quantities, and schedules of requirements);
2. Any amendments to the RFQ;
3. Evaluation Reports inclusive of all clarifications; in case of two-envelope procedure (exceptionally used), separate opening and evaluation reports for the Technical envelopes and the Financial Envelopes;
4. Draft Contract or Purchase Order duly filled;
5. Signed contract or PO (for information and record);
6. Major contract amendments;
7. Cumulative Contract/PO amendments exceeding 10% of the original contract/PO value (Module P2, article 2 (v)); and
8. Cumulative Contract/PO extensions exceeding 25% of the original contract/PO duration (Module P2, article 2 (v)).

²¹ Amendments to existing goods, works and non-consulting services contracts involving items of similar nature shall be made using DC up to a maximum of 10% of the original contract value (reference IFAD Handbook Module F1 article 6); amendments to existing contracts for additional quantities (of the same items) may exceed 10% subject to the N.O. of IFAD with no need to use DC (reference IFAD Handbook Module P2 article 2). In case of Consulting Services, SSS may be approved in cases of services that are deemed a natural continuation of previously delivered services for concluded contracts (reference IFAD Handbook Module F2 article 6); if the contract is ongoing, amendments are possible. Amendments increasing the contract price by more than 10% requires IFAD N.O. with no need for SSS (reference IFAD Handbook Module P2 article 2);

Consulting Services: QCBS, QBS, FBS, and LCS

Submission through OPEN for No Objection shall be for the following procurement files and documents:

1. Request for Expression of Interest (REOI) (if applicable), the Terms of Reference, and the detailed cost estimates;
2. Shortlist Report (if applicable);
3. Prior list (if applicable) including the rationale for selecting the firms;
4. Request for Proposals (RFP);
5. Any amendments to the RFP;
6. Technical Evaluation Report (inclusive of Proposal Opening Report) and any clarifications;
7. Combined Evaluation Report (inclusive of Financial Proposal Opening Report);
8. Draft Contract duly filled;
9. Minutes of Negotiations (inclusive of unsuccessful negotiations and intention to cancel or invite second ranked consultant);
10. Signed contract (for information and record);
11. Major contract amendments;
12. Cumulative Contract/MoU amendments exceeding 10% of the original contract value; and
13. Cumulative Contract/MoU extensions exceeding 25% of the original contract duration.

Consulting Services: CQS and ICS

Submission through OPEN for No Objection shall be for the following procurement files and documents:

1. Mandatory Request for Expression of Interest (REOI) and Terms of Reference (including cost estimates);
2. Mandatory Shortlist Report;
3. Request for Proposals (RFP);
4. Any amendments to the RFP;
5. Evaluation Report (inclusive of any clarifications);
6. Draft Contract duly filled;
7. Minutes of Negotiations (inclusive of unsuccessful negotiations and intention to cancel or invite second ranked consultant);
8. Signed contract (for information and record);
9. Major contract amendments;
10. Cumulative Contract amendments exceeding 10% of the original contract value; and
11. Cumulative Contract extensions exceeding 25% of the original contract duration.

Direct Contracting and Single Source Selection

Submission through OPEN for No Objection shall be for the following procurement files and documents:

1. Justification for Single Sourcing (including below the DC/SSS thresholds set above in Table 1) and rationale for selecting the particular firm/individual;
2. Technical Specifications or Terms of Reference;
3. Simplified Bidding Document or Request for Proposals;
4. Negotiation Report (inclusive of evaluation of submitted bid/proposal and its full negotiation);
5. Draft Contract duly filled;
6. Signed contract (for information and record);
7. Major contract amendments;
8. Cumulative Contract amendments exceeding 10% of the original contract value; and
9. Cumulative Contract extensions exceeding 25% of the original contract duration.

Procurement from United Nations Agencies

Submission through OPEN for No Objection shall be for the following procurement files and documents:

1. Justification Report for recourse to UN Agencies (if not already submitted along with PP);
2. Solicitation Document for UN Agency to be engaged with the Project for the particular scope;
3. Draft Agreement duly filled;
4. Signed agreement (for information and record);
5. Major contract amendments;
6. Cumulative Agreement amendments exceeding 10% of the original value; and
7. Cumulative Agreement extensions exceeding 25% of the original duration.

Grants

Submission through OPEN for No Objection shall be for the following grant files and documents:

1. Call for Proposals including draft contract
2. Evaluation and Selection report Justification Report
3. Draft Agreements duly filled;
4. Signed agreements (for information and record);
5. Major amendments;
6. Cumulative Agreement amendments exceeding 10% of the original value; and
7. Cumulative Agreement extensions exceeding 25% of the original duration.

Other specific Prior Review requirements

The **Project Management Unit** shall additionally secure IFAD's No Objection for the following:

1. The recruitment of any Procurement staff and audit firms;
2. The templates of bidding documents and requests for proposals for all procurement methods (whether for post review or prior review) in case different from IFAD SPDs;
3. Recommendation to reject all bids or proposals or to cancel a procurement process;
4. Recommendations to terminate negotiations with a consulting firm/individual and proceed with negotiations with the next-ranked consulting firm/individual;
5. Recommendations to proceed to award the next ranked bidder in case the selected bidder failed to sign a contract;
6. Justifications for proceeding with opening of bids/proposals that are less than three;
7. Use of a performance guarantee other than in the form of an unconditional and irrevocable on-demand bank guarantee;
8. Decisions concerning Abnormally Low Bids;
9. Establishing a shortlist composed of less than three entities; and
10. Intention to terminate any contract or agreement.

Other procurement-related coordination with IFAD

The **Project Management Unit** shall coordinate in advance with IFAD on the following matters and issues:

1. Any changes, updates, elaboration, etc. to the PIM shall be coordinated in advance for due No Objection. The strategic implementation modality including the approach to stakeholder involvement and implementing partners' roles/selection, and the delegation of procurement and granting responsibilities to third parties, etc. shall be subject to prior coordination with IFAD and the subsequent N.O.
2. Any changes to the staffing of the **Project Management Unit**;

3. Composition of Evaluation committees;
4. Summaries of Debriefing requests and copies of Protests (for consultation before responding) for all prior review procurement/grant activities (optional for post review procurement activities);
5. Procurement and grant progress reports as well as special reports on critical issues;
6. Details of defaulting or corrupt vendors;
7. Audit findings and corrective actions taken;
8. Debarment of a vendor who appears to be debarred by another MDB for validation by IFAD if cross-debarment should apply (for prior and post review);
9. Staff progress on BUILDPROC and SUSTAIN certification programmes; and
10. Any other matter specifically requested by IFAD.

In addition to the above, the Project will provide full assistance to IFAD implementation support, supervision, MTR, and project closing missions. The Project will avail all necessary staff and provide all required documents, records and files. The same applies for any IFAD audit or investigation.

Critical Procurement Issues

Areas of Inconsistency between National Law and IFAD Project Procurement Guidelines

As stated in the IFAD Project Procurement Guidelines: "In cases where IFAD deems that a Borrower's/Recipient's national procurement system is not fully in line with these Guidelines, alternative provisions for procurement will apply as provided for in the Procurement Handbook." Accordingly, this section elaborates the areas of inconsistency between National Procurement rules and those of IFAD (Section "Comparison between National and IFAD Procurement") and resolves this contradiction by specifying the applicable provisions (Section "Extent of Application of National Procurement Rules").

Comparison between National and IFAD Procurement

The table below summarizes main differences and variations between National (Borrower/Recipient) Procurement Rules (Laws & Regulations) and those of IFAD Procurement Guidelines; the aim is to highlight to the **Project Management Unit** the conflicting aspects that must be settled by applying IFAD Guidelines and Handbook:

Procurement Aspect	National Procurement	IFAD Procurement Guidelines
<i>Procurement Principles</i>	Not explicitly stated in the law except: environmental sustainability, economic development and advancement of SME's, Domestic preference, and mandatory disclosure of contract terms during bidding (Art. 8). The Government also issued detailed guidance on supporting SMEs and promoting sustainability.	Ethics; Accountability; Competition; Fairness; Transparency; Efficiency, Effectiveness and Economy; and Best Value for Money.
<i>Default Procurement Method for Goods and Works</i>	NCB unless the donor (in a donor-funded project) requires ICB	ICB

<i>Default Procurement Method for Consulting Services</i>	Default: REOI è shortlist ≥ 3 Then, PCMU decides: QCBS, QBS, FBS, LCS, or SSS (No CQS) Design Contest may also be used	QCBS
<i>Restrictions and discrimination</i>	Classification of economic operators Bidding Documents in Arabic B.D. may be distributed for free to consulates, foreign companies, etc.	All procurement opportunities shall be based on full, fair and legitimate competition among eligible suppliers and contractors
<i>Minimum number of quotations, bids, or proposals</i>	Not Present	Three (3) below which a No Objection is required to proceed
<i>Low value procurement</i>	RFQ may be used in low value procurement without setting threshold	Either advertised nationally or launched to a predefined list of vendors
<i>Direct Contracting & Single Sourcing</i>	Very low value è DS/SSS: 5,000 Dinars Only one single suitable source After Cancellation for two times Proprietary items Emergency situations Spare parts and enhancements of software systems Research and Development Increase in contract scope up to 50% In case of legal requirement to Single source Standardization Procurement from a Public Entity	Used in very exceptional circumstances as per Handbook
<i>Exclusions from competitive procurement</i>	No exclusions in the Procurement Law except for conditions of Direct Selection.	IFAD does not tolerate any exclusions, discrimination, bias, prejudice, favoritism, etc.
<i>Eligibility</i>	Legal eligibility provisions are present; no explicit restrictions on country of registration	All countries and territories

<i>Domestic Preference</i>	Applicable as per rules set by CoM under all procurement methods	Accepted under ICB only and on exceptional basis
<i>Transparency</i>	Present Direct Selection may be used to increase contract values by up to 50%;	Public dissemination of (i) availability of procurement opportunities; (ii) Where to access relevant data; (iii) The processes with which the procurement will be undertaken; (iv) The mechanisms by which contracts will be awarded; (v) Contract award data; and (vi) Appeal procedures (debriefs and protests).
<i>Transparency</i>	Present	Procurement award decisions are made on set criteria in bidding documents
<i>Procurement Methods and processes</i>	Goods, Works and Consulting Services: Open Tender Restricted Tender (solicited from at least 3 bidders) Two-stage Tender (At least 2 participate in first stage) Request for Quotation (solicited from at least 3 bidders) Direct Contracting Force Account Individual Consultants (same methods as for firms) (May also use Reverse Action and Framework) No provisions for Non-consulting services Open International – 30 days Local Tenders – 21 days	Methods and processes are proportionate to the budget; Procurement processes should be well organized and carried out correctly with regard to quantity, quality and timeliness, at an optimum price.
<i>Value for money</i>	(i) Present (following UNCITRAL Model Law)	Demonstrated by (i) applying sound, internationally recognized procurement

	(ii) Not Present except for need to plan annually (iii) No Life-cycle provisions (iv) Present through pre or post qualification	principles; (ii) Ensuring that the goods, works or services procured meet the requirements of the activity; (iii) Ensuring that the goods, works or services are contracted on the best possible terms, taking into account their expected life cycle; and (iv) Ensuring that the provider of the goods, works or services is qualified, legally entitled and competent to enter into and execute the contract
<i>Award basis</i>	Price-only basis or mix of price and non-price factors However, the law permits negotiations in a wide set of situations (see below chart).	Lowest price evaluation basis as well as Most Economically Advantageous Bids (merit point evaluation basis or lowest life cycle cost basis)
<i>Community Participation</i>	Not present	Possible arrangements for involving communities are detailed in the Guidelines
<i>Standstill, Debriefing and Protests</i>	Complaint submission window is set in B.D. or by procuring committee. PCMU must respond in 7 days (Works and Services) and 30 days (Goods). There is a fee for filing a complaint. If bidder is not satisfied, it can appeal to central review committee within 5 days of PCMU decision. The Central committee informs PCMU to stand still and answers appeal in 21 days.	Before any award decision is made, B/R must notify its intention to award availing the opportunity for bidders to request debriefs and/or protest the decision within the standstill period as elaborated in the Handbook.
<i>Procurement Decision authority thresholds</i>	Minister Secretary General Director General	

Table 5 - Comparison between National Procurement Rules and IFAD's Guidelines

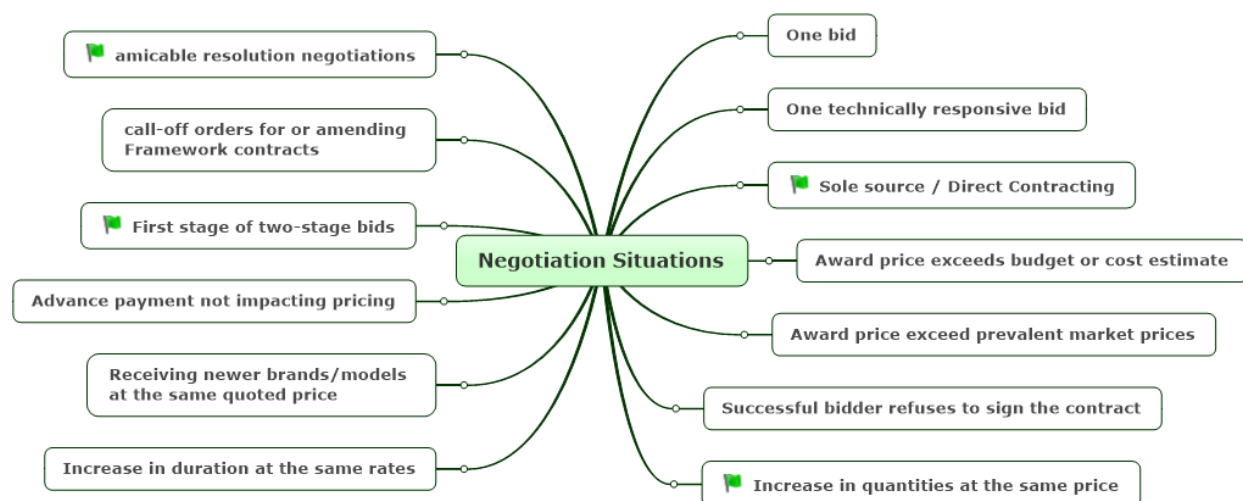


Figure 1 - Situations where price negotiations are permitted as per National Law

Extent of Application of the National Procurement rules

Based on the above comparison, the following will be subjected to the IFAD Procurement Handbook:

- All procurement thresholds shall follow the PAL as elaborated in this Manual;
- Contrary to the provisions of the law setting the threshold of JOD 5,000 to use any form of procurement (DC/SSS), the PIU will follow the PAL thresholds on DC/SSS.
- All procurement timelines shall follow the IFAD Procurement Plan predefined time limits as summarized in this Manual;
- All ICB procurement activities shall be internationally advertised as specified in this Manual and shall follow IFAD methods and templates;
- All debrief and protest mechanism shall follow the provisions of the Handbook, Modules M1 and M2; Appeal provisions shall apply as per National Law;
- Minimum number of bids, proposals or quotations shall be three; in case of less than three, IFAD No Objection shall be solicited based on detailed justifications (this applies for prior review activities as is currently modelled in OPEN);
- Domestic preference shall apply only under ICB procurement of Goods and Works as per IFAD Handbook, Modules K1 and K3;
- All consulting services procurement equal to or exceeding the QCBS threshold set in the PAL and this Manual shall be advertised internationally (REOI) as required in this Manual; contrary to the provisions of the Law, consulting services may also be advertised directly or may be sent to prior lists established based on the thresholds specified in this Manual (excluding CQS and ICS);
- Contrary to the provisions of the Law, consulting services may also be procured using CQS as permitted in this Manual; the CQS procedure shall follow the provisions of the Handbook, Module F2;
- The templates for Consultancy Services' procurement shall be those of IFAD;
- Preparation of Technical Specification and Terms of Reference shall comply with the provisions of IFAD Handbook, Modules D, E1, E2 and E3;
- All clarifications issued by the **PCMU** to bidders shall be simultaneously distributed to all bidders (and published online for NCB/ICB);
- Bid Opening for competitive procurement activities should occur immediately after the deadline;

- Publication of the outcome of a procurement activity (award or cancellation) should be made for open procurement activities;
- Minutes of all bid opening meetings should be sent to all bidders simultaneously immediately after opening; the same applies to outcomes of evaluation;
- Consulting services Technical Proposals shall be opened in a public session (Excluding CQS, ICS and SSS);
- Whenever evaluation and award consider qualitative rating and/or non-price criteria, committee members should conduct evaluation individually before convening to discuss the findings;
- Management and handling of bid deviations during evaluation should strictly follow the guidance offered in IFAD Handbook, Modules K2, K3 and K4;
- Evaluation reports should detail all steps of the process and should follow IFAD's Handbook concerning steps of evaluation and minimum contents of evaluation reports available under Modules K;
- Negotiations in consulting services (excluding financial negotiations unless for QBS, CQS, SSS and IC) should normally be conducted before contract signature;
- The government's circular on negotiations shall not apply unless in circumstances consistent with IFAD's Handbook;
- Increase in scope and value of contracts shall follow the provisions of the Handbook (DC or SSS): Module F1 for Goods, Works and Non-consulting Services capped at 10% for increase in items of similar nature and possibly higher for other changes increasing price subject to prior approval if in excess of 10%; and Module F2 for consulting services;
- The use of DC under the justification of "standardization" shall only be possible if it meets the conditions laid down in the Handbook (Module F1);
- In absence of provisions concerning Non-consulting services, the PCMU shall apply the provisions of the Handbook concerning defining those services, elaborating their requirements and methods of procurement and evaluation;
- In line with the partnership between IFAD and UNGC, all NCB and ICB procurement (goods and works) and QCBS shall feature preference for UNGC members (or bidders committing to become members) as per the annex to this PIM.

Cost and Schedule Estimate

The cost and the schedule of each procurement activity will be accurately estimated at the latest during the elaboration of the requirements (specifications or TOR's). These estimates shall be submitted along with the requirements for prior review activities. Should the cost estimate exceed the allocated budget in the AWP&B and the PP, one of the following will be done:

- 1- Update the AWP&B and PP by reallocating the required funds; if the increase in originally approved budget exceeds 10%, the upgraded PP should be submitted to IFAD No Objection;
- 2- Redesign the procurement activity to fit within the limits of available budget;
- 3- A mix of the two above options.

When packaging procurement activities, due consideration shall be given to pooling of needs and activities into packages that may be launched under one procedure split into several lots in order to achieve economies of scale, promote competition, facilitate access to small and medium enterprises, and reduce the transaction cost associated with procurement activities. When the procurement activity is split into lots, the total cost estimate of all lots will be used for identifying the correct procurement method. Artificially

splitting procurement activities into smaller packages launched separately in order to escape the application of more open and competitive procurement methods is a breach of the procurement principles.

The schedule estimates for implementing contracts shall also be accurately estimated to ensure that the timeframe specified in solicitation documents are realistic and are not prohibitive.

Publication of Notices

The GPN and all ICB procurement notices (SPN) shall be published on the following fora:

- IFAD Website;
- The designated Borrower/Recipient website: <http://www.jedco.gov.jo/> ;
- A local newspaper of wide circulation; and
- Other media.

NCB procurement notices (SPN) shall be published on the following fora:

- The designated Borrower/Recipient website: <http://www.jedco.gov.jo/> ;
- A local newspaper of wide circulation; and
- Other media.

Notice of Award (NoA) for all contracts and purchase orders as well as results of shortlisting and prequalification and the decision to cancel a procurement activity and reject all bids/proposals shall be published on the following fora:

- IFAD Website;
- The designated Borrower/Recipient website: <http://www.jedco.gov.jo/> ;
- A local newspaper of wide circulation; and
- Other media.

Award of Grants/Loans

Grants: Award of grants (whether monetary or in-kind) is as provisioned in the Project Design. Grants may be executed (i.e. disbursed in case of monetary grants or procured and distributed in case of in-kind grants) by the **Project Management Unit** solely or in partnership with an Implementing Partner based on the provisions of the design. The selection of Implementing Partners for this purpose will be based on the following provisions under section “Selection of Grant or Refinancing Partners”.

For procurement of grant assets by grant beneficiaries, grantees shall obtain at least three quotations for grants in excess of 2,000 JD. The three quotations shall be solicited based on competitive requirements/specifications with the guidance and support of the PIU or its delegated entity.

All grantees shall, among other requirements, obtain formal invoices from third party suppliers to evidence implementation. Involvement of family members to execute the grant shall not be allowed if the grantee is expected to contribute in monetary terms; in this instance, monetary contribution cannot be considered eligible if it were payment to family members. If grantee contribution is permissible to be in kind, then the involvement of family members is admissible.

Loans: In the case of micro-credits and loans (inclusive of refinancing), the **Project Management Unit** will rely on Partner Financial Institutions (PFI) either as nominated in the project design, or as competitively selected based on the provisions of the Financing Agreement and National Law.

Selection of Grant or Refinancing Partners

Grants: In some cases, the **Project Management Unit** may not be the direct entity responsible for disbursing grants. Disbursement of monetary grants is sometimes conducted through intermediaries, such as Implementing Partners (I.P.). The engagement with such I.P.'s can be made through a proper procurement process resulting in an agreement with each partner. This means that such first level agreements shall be duly registered separately in the PP with the proper selection method of the I.P. When the I.P. is stated in the Financing Agreement, the selection process will be SSS. Otherwise, it would be through a competitive process. The value, where applicable, of such agreements may be composed of several components depending on the case: (i) the fees that such I.P.'s charge for the services entrusted to them; and (ii) the other fees and expenses that the I.P. may be required to spend in providing support to beneficiaries (e.g. training, events, coaching, etc.). In very rare cases, if provisioned in the design, the grant funds may also be included in the agreement with the I.P. In any case, the I.P. agreement should be processed in OPEN and recorded in the CMT.

Whenever the grant funds to be disbursed to beneficiaries are included in the I.P. agreement, the I.P. will be responsible for the selection of those beneficiaries through a Call for Proposals (CfP) issued and managed by the I.P. In this case, the selection process is entered in the PP of the I.P. (and in OPEN if subject to prior review) and the resulting grant contracts are entered in the CMT. In the other case, where the grant funds are to be disbursed by the **Project Management Unit** to beneficiaries, the CfP shall be issued and managed by the **Project Management Unit**. In this case, the CfP is entered in OPEN (if subject to prior review) and the resulting grant contracts are entered in the CMT. For both cases, details of issuing the CfP and awarding the grants are found in section "Grant beneficiary selection" below.

Loans: PFI's must meet eligibility criteria set in Government Decisions and following national legislation. The selected financial institutions in the design are ADP and MSMEDA. The draft agreements with these entities shall be subject to the prior review by IFAD; each such agreement shall be planned in the PP and registered in the CMT. However, credit and refinancing agreements (second-level agreements such as micro-credits) with third parties are neither entered in OPEN nor in the CMT, but should be maintained in a separate CR.

The table below summarizes the various types of agreements/contracts normally associated with grants and loans and specifies whether use of OPEN and CMT are required:

Type of Agreement/activity	Entered in OPEN	Entered in CMT
Grant Call for proposals launched by PCMU and subsequent Grant contracts signed between PCMU and beneficiaries (first-level agreements)	Yes ⁺	Yes
Agreement between PCMU and I.P. for the disbursement of monetary grants (first-level agreement)	Yes ⁺	Yes
Agreement between PCMU and I.P. for the procurement of in-kind grants (first-level agreement)	Yes ⁺	Yes
Agreement between PCMU and PFI for the refinancing of micro-credits (first-level agreement)	Yes ⁺	Yes

Grant Call for proposals launched by I.P. and subsequent grant contracts signed between I.P. and beneficiaries (second-level agreements) for either monetary or in-kind grants	Yes ⁺	Yes
Procurement of grant assets by PCMU (in-kind grants)	Yes ⁺	Yes
Procurement of grant assets by I.P. (in-kind grants)	Yes ⁺	Yes
Loan contracts signed between PFI and borrowers (second-level agreements)	No	No [*]
+ if above the prior review threshold as per the PAL. * even though not entered in the CMT, those contracts are entered in a dedicated and separate CR specific to the I.P./PFI.		

Table 6 - Guidance on whether OPEN and CMT apply for some types of contracts or agreements

Grant Beneficiary Selection

As mentioned under section “Selection of Grant or Refinancing Partners”. above, Grants provisioned in the Financing Agreement shall be openly advertised by the **Project Management Unit** and/or an Implementing Partner (I.P.) as the case may be. In either case, the process shall follow the following steps:

- Planning the call(s) for proposals in the respective PP(s) (**Project Management Unit's** PP or the I.P.'s PP as the case may be); the total value of grants provisioned under the CfP and the method used shall be the basis for the determination of the review procedure (prior or post). Grants award processes can be done through one of the services' methods;
- Preparation of the Request for Proposals (by **Project Management Unit** or I.P.) using the appropriate selection method and the detailed Terms of Reference elaborating the requirements, selection criteria, evaluation criteria, etc. for award of grants in multiple contracts; since the ceiling of the grant is usually fixed, selection should ideally follow the Fixed Budget selection. The template to be used shall be reviewed by IFAD in advance and N.O. issued for adoption of the template;
- The use of REOI facilitates shortlisting of qualified applicants who later submit proposals in response to the RFP; all applicants meeting the eligibility criteria can be shortlisted for the next stage of the application. However, REOI is not mandatory as the CfP for grants may be launched directly subject to N.O. without threshold limitation;
- The grant proposals are evaluated based on the pre-disclosed criteria, and an evaluation report is prepared recommending award of grants in the requisite numbers within the grant cap and total ceilings set; evaluation shall include scoring of applications based on the evaluation criteria of the RFP to (i) identify those who pass from those who don't and (ii) enable selection of the passing applicants that will be awarded grants in case the total number of eligible and passing applications exceeds the financial resources available. In the latter case, the selection will be starting from the top ranked applicant downwards;
- When an I.P. launches the Call for Proposals, the I.P. will submit to **Project Management Unit** the evaluation of the applications as well as the applications received for **Project Management Unit** verification; **Project Management Unit** will prepare a verification report approving/amending the evaluation process as is necessary;
- The resulting evaluation and selection reports shall be uploaded on OPEN. In case the CfP is managed by the I.P., the **Project Management Unit** will handle OPEN submissions. If applicable, IFAD's review will ensure consistency with the Financing Agreement, PIM, and CfP. Once N.O. is

issued by IFAD, the grant contracting process with the selected beneficiaries may start by signature of Agreements by the **Project Management Unit** or the I.P. as the case may be;

- All monetary grant agreements disbursed directly by the **Project Management Unit** will be entered in the CMT. Monetary grants disbursed by an I.P. will also be recorded in the CMT;
- All In-kind grant agreements where the distributed assets are procured by the **Project Management Unit** will be entered in the CMT with a monetary value set to zero. The purpose is to avoid double accounting for the grant amount since the value of the grant will appear in the procurement contract through which the **Project Management Unit** will procure the subject of the grants (assets). Similarly, in-kind grant agreements where the assets are procured by an I.P. are registered in the CMT with a value of zero as the Partner will be procuring those assets through a separate contract.

The flowcharts below summarize the basic steps in the selection process of grant beneficiaries:

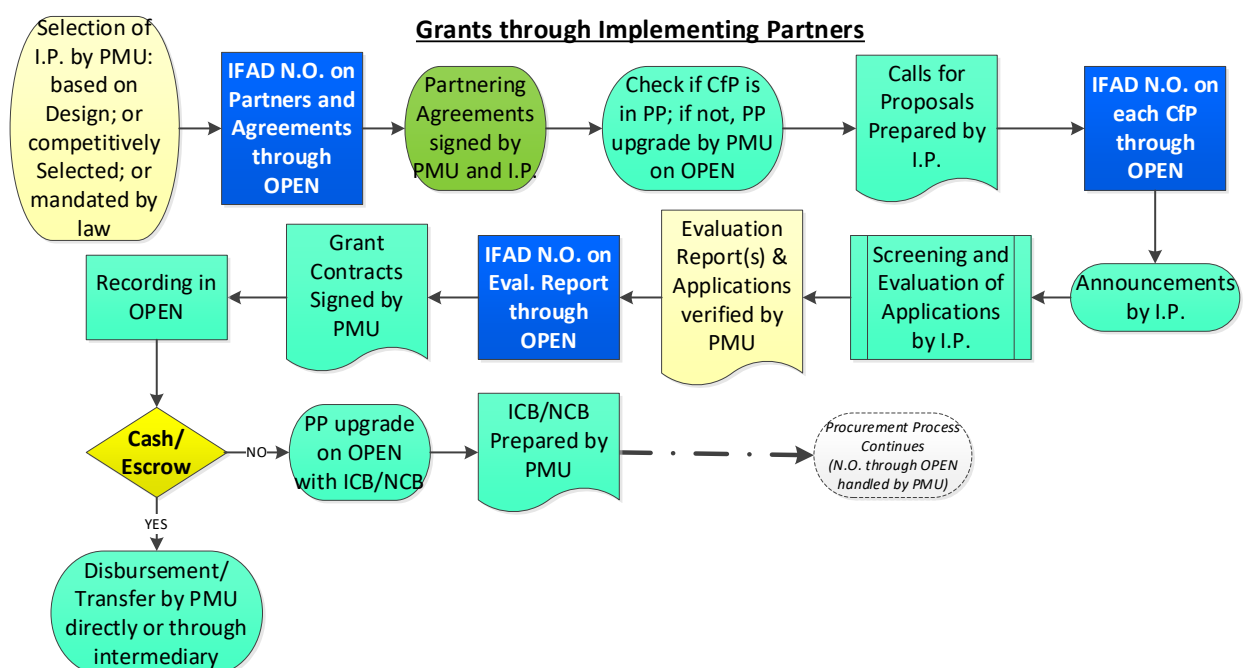


Figure 2 - Grants through Implementing Partners

Grants through PMU

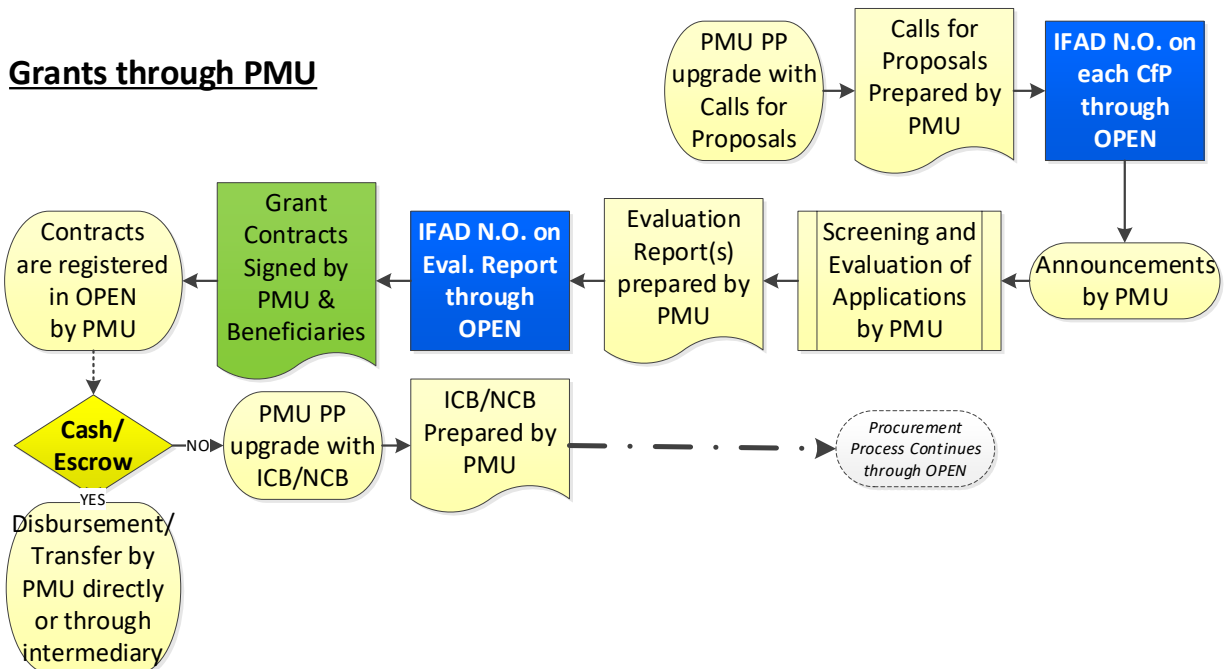


Figure 3 - Grants through PCMU

Grant Scheme Governance

In order to ensure proper governance of grant management and avoid conflict of interest and bias, the PIU will design a novel arrangement for executing the grant scheme. There are several approaches that can be employed different from the previous (REGEP) approaches of consolidating responsibility within one single I.P. Below is a schematic representation of 3 different options by way of suggestion:

Figure 4 - Grant Scheme Governance options

Grant Scheme Governance		Grant Scheme Governance		Grant Scheme Governance	
Option 1		Option 2		Option 3	
Prepare and Launch Cfp	I.P. 1	Prepare and Launch Cfp	I.P. 1	Prepare and Launch Cfp	I.P. 1
Provide Support to Applicants	Consulting Firm	Provide Support to Applicants	I.P. 1	Provide Support to Applicants	I.P. 1
Receive and Evaluate Applications	I.P. 1	Receive and Evaluate Applications	I.P. 2	Receive and Evaluate Applications	I.P. 1
Sign Contracts	JEDCO	Sign Contracts	JEDCO	Sign Contracts	JEDCO
Monitor Execution/ Train Beneficiaries	I.P.2 or Consulting Firm	Monitor Execution/ Train Beneficiaries	I.P.3 or Consulting Firm	Monitor Execution/ Train Beneficiaries	I.P.2 or Consulting Firm

To ensure SECAP compliance, Annex 8 provides detailed guidance on the management of SECAP within the grant scheme.

Micro-credit Financing

The agreements with partner financial institutions for the provisioning of micro-credit loans shall be planned in the PP as per the requirements of Section “Selection of Grant or Refinancing Partners” above. The resulting credit agreement with the financial institutions shall be recorded in the contract tab of OPEN. However, the procedures for selecting loan recipients shall not be governed by this Manual and shall follow pre-agreed mechanisms set with the credit institutions.

Procurement Principles and Ethics

The **Project Management Unit** will strictly adhere to the provisions of Section II of the IFAD Project Procurement Guidelines (2019) covering the key Procurement Principles:

- Ethics;
- Accountability;
- Competition;
- Fairness;
- Transparency;
- Efficiency, Effectiveness and Economy; and

- Best Value for Money.

Furthermore, the **Project Management Unit** will strictly adhere to the provisions of **IFAD's Policy on Preventing Fraud and Corruption in its Activities and Operations** available at www.ifad.org/en/document-detail/asset/40738506. The Project shall ensure that this policy is clearly stated in all procurement documents (solicitation documents and contracts) and that all vendors comply with this policy. All such documents shall clearly include also IFAD's Anti-corruption Hotline:

Office of Audit and Oversight (AUO)
Investigation Section (IS)
Via Paolo di Dono 44
00142 Rome, Italy
Email: anticorruption@ifad.org
Phone: +39 0654592888
Fax: +39 0654597888

Combatting Corruption and Sexual Harassment

The **Project Management Unit** will strictly adhere to the provisions of **IFAD's Policy to Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse** available at www.ifad.org/anticorruption_policy. The Project shall ensure that this policy is clearly stated in all procurement documents (solicitation documents and contracts) and that all vendors comply with this policy. All such documents shall clearly include also IFAD's Ethics Hotline:

Ethics Office (ETH)
Via Paolo di Dono 44
00142 Rome, Italy
Email: ethicsoffice@ifad.org
Phone: +39 06 5459 2525
<https://www.ifad.org/en/ethics>

Anti-Money Laundering and Countering Financing of Terrorism

The Project Management Unit will strictly adhere to the provisions of IFAD's Policy on Anti-Money Laundering and Countering Financing of Terrorism available [here](#).

Record Keeping

As per the provisions of Module B of the Handbook, the **Project Management Unit** will retain procurement records and files in an easily accessible and easily retrievable manner that facilitates review and audit even when conducted remotely. The table of records as extracted from the Handbook for ease of reference is available in Annex 2. To facilitate review, supervision and audit, all procurement and contract management records shall be archived under the responsibility of the procurement staff. Should other departments or teams or entities be entrusted with archiving some of the procurement documents, a copy should be retained by the procurement staff.

Originals of EOI's/bids/proposals are filed by the JEDCO Procurement Committee for procurement activities conducted by the PCMU. The Central Procurement Committee archives EOI's/bids/proposals for activities

exceeding the threshold; however, JEDCO shall maintain easy and unrestricted access and can facilitate any IFAD's mission's access to the same.

Procurement Transactions – Institutional Setup and RACI

Delegated Procurement Responsibilities to local entities

As elaborated in the Financing Agreement, REGEF-UP does not foresee engaging local entities (municipalities) for project execution.

However, in case this is amended in due course, each local entity must adhere to the provisions of the PAL and this Manual and shall operate under the full authority of the **Project Management Unit**. The institutional arrangements (Roles and Responsibilities) for each local entity shall be developed following the same format as the two tables presented below under Section "Accounting for Procurement by Local Entities and Partners" and shall be annexed to the PIM. The **Project Management Unit** will handle the associated procurement planning and will offer procurement guidance, support, training, approvals, etc. to the above local entities.

Implementing Partners

The main implementing agency is **JEDCO: Jordanian Enterprise Development Corporation**

Below is a list of potential Implementing Partners:

NARC: National Agricultural Research Center (along with MoA Extension Services)

DEF: Development and Employment Fund

ACC: Agricultural Credit Corporation

CBJ: Central Bank of Jordan (along with selected Banks and MFIs)

JRF: Jordan River Foundation

JOHUD: The Jordanian Hashemite Fund for Human Development

DAA: Dar Abou Abdallah

In case the Project calls for competitively selecting Implementing Partners, the requisite methods and procedures elaborated in the applicable procurement rules will be applied for the selection of any Implementing Partner (non-public sector).

Each Implementing Partner (forming part of the Jordanian public sector) must adhere to the provisions of the PAL and this Manual. Other Implementing Partners (from the private sector or civil society) may apply their own procurement rules as long as these do not contradict with IFAD Procurement Guidelines and after a positive assessment by IFAD. The design process does not foresee procurement to be executed by non-public entities. The institutional arrangements (Roles and Responsibilities) for each implementing partner shall be developed following the two tables presented below under Section "Accounting for Procurement by Local Entities and Partners" and annexed to the PIM. Each Implementing Partner will prepare its PP following the above specified templates and shall submit the same to the lead PIU (JEDCO) for integration within consolidated PP in OPEN. The same applies to their updates and upgrades.

Accounting for Procurement by Local Entities and Partners

Whenever procurement responsibilities (including grants) are entrusted to Local Entities (L.E.) or Implementing Partners (I.P.), the following provisions shall apply:

- The procurement plans prepared by L.E./I.P. will follow IFAD's PP template and will be consolidated with the **Project Management Unit** PP in OPEN; to avoid double counting of financial figures, the agreements with such L.E./I.P.'s shall be recorded in OPEN showing only (where applicable) the fees payable to such partners to render the services entrusted to them;
- The PP prepared by the **Project Management Unit** will include also the procurement activities of engaging with L.E.'s or I.P.'s (MoU/Agreement) and will show the value of fees (if any) entrusted to L.E.'s or I.P.'s; whenever procurement authority is delegated to an L.E./I.P., the latter will spend this allocated budget by conducting procurement activities that will be planned and executed as per this Manual and the PAL (see PAL article 23²²);
- The PP by a L.E./I.P. will be subject to prior review by IFAD; procurement activities managed by an L.E./I.P. will be subject to prior/post review by IFAD as the case may be;
- All contracts concluded by a L.E./I.P. must be entered in the CMT by the **Project Management Unit** or the partner;
- The **Project Management Unit** will supervise the procurement activities conducted by each L.E. or I.P. based on detailed provisions included in the MoU/Agreement which is subject to the prior review by IFAD as applicable;
- Where a procurement activity by a L.E./I.P. is subject to prior review by IFAD, the **Project Management Unit** will handle the reporting through OPEN (except for loans and micro-credits which are not entered in OPEN);
- All first level MoU/Agreements signed between **Project Management Unit** and any L.E./I.P. will be entered in the CMT as explained in Section "Selection of Grant or Refinancing Partners" above; and
- The L.E./I.P. is bound to the record keeping requirements of this Manual; **Project Management Unit** shall ensure availability of and accessibility to all records and documentation for review operations.

Institutional Setup, Roles and Responsibilities

The subsections below elaborate on the operational procedures for Evaluation Committees, on the mechanism for staff recruitment and on the responsibilities of key stakeholders and staff.

Evaluation Committees

Since the project applies National Procurement Rules as far as they do not contradict with IFAD's Project Procurement Guidelines, the following procedures concerning Evaluation Committees shall apply for all evaluation committees under the project:

- Each procurement activity (including grants and staff recruitment) shall have its officially appointed Opening and Evaluation Committee;
- The committee may be one for both Opening and Evaluation proceedings as long as each member is free from any conflict of interest and assures that his/her engagement in evaluation will not be biased based on preparatory work such as drafting specifications or terms of reference and conducting market studies;
- The following conditions will be respected for all committees:

²² "All the above-outlined procurement terms and conditions shall also apply to project implementing partners and implementing agents approved by IFAD."

- The committee is formally appointed by the competent authority;
- The committee members are well acquainted with the REOI, Pre-qualification Documents, Bidding Documents or Request for Proposals; they dedicate sufficient time to fully understand the document and process and allocate full time to complete the evaluation promptly;
- All members of the committee sign a Declaration of Impartiality and Confidentiality (following IFAD standard template) immediately after knowing the names of the bidders and any of their partners, staff, experts, subcontractors, etc. Immediately upon realizing presence of conflict of interest (potential or actual), the concerned committee member should report the same to the Chairperson who shall coordinate immediate replacement;
- The committee includes technical specialists in the subject-matter of the procurement, procurement specialists, and other specialists as is necessary for the particular activity (e.g. finance, legal, etc.);
- The committee may include end-user representatives as well; end-users are engaged when the procurement activity is dedicated to the benefit of a group or community that is legally established;
- Should the staff of the **Project Management Unit** (and of end-users if applicable) lack some qualifications, skills or expertise in the subject matter of the procurement, the **Project Management Unit** may include in the committee an external member (consultant or staff of another public entity) as long as this member is free from any conflict of interest and abides by the rules outlined in this Manual and Handbook;
- The number of committee members is odd with a minimum of three with the size depending on the value and complexity of the assignment;
- The committee operates autonomously and does not include managers who ultimately approve the outcome of the evaluation; there should be also no hierarchical authority between committee members to ensure that no such a hierarchy exerts undue pressure on members;
- The evaluation is done individually by each committee member especially when evaluation involves scoring; in this case, the individual scores are subsequently discussed and may be adjusted accordingly as long as original scores and adjusted scores are both included in the report with reasoning behind the adjustments; combined scores will be on average basis (average of adjusted individual scores);
- In all aspects of evaluation that are on a pass/fail basis (no scoring), the committee should take its decision unanimously, failing which decision should be based on majority vote with due recording of dissenting opinion. In case the disagreement is major with irreversible impact on the outcome, the competent Minister/CEO will decide;
- Committee members are anticipated to evaluate the full set of EOIs/qualification applications/bids/proposals/quotations received for the full steps of evaluation; splitting of evaluation vertically (splitting bids among members for evaluation) or horizontally (some members conducting preliminary examination while others handling technical evaluation) are both not allowed;
- Despite the above, each member of the committee will exert their expertise and qualifications without unduly influencing the opinions of other members;
- In addition to fulfilling the evaluation role just as other committee members, the procurement specialist in the committee is responsible for ensuring the full respect of the procurement rules in place; the procurement specialist shall be responsible for communicating any clarifications (based on committee agreement) with bidders and for drawing up the evaluation report. Furthermore, the procurement specialist will assume the

- role of committee Facilitator as provisioned in IFAD Handbook Module K1 including ensuring compliance with the procurement rules in place as per this Manual;
 - Each committee shall be presided by a Chairperson responsible for coordinating technical discussions within the committee and will assume the roles as per the Handbook Module K1;
 - All evaluations and decisions shall be made based on criteria and requirements elaborated in the Procurement documents, Bidding Documents or Requests for Proposals; all decisions should be sufficiently substantiated with elaboration of deliberations, reservations, discussions, strengths and weaknesses, etc. in sufficient detail to ensure that due process has been applied;
 - The committee completes evaluation promptly and in any case within the period of validity of bids/proposals; in exceptional and duly substantiated circumstances, the committee may request extensions of bid validity. Such requests are addressed to bidders officially in writing before the expiry of the validity through the **Project Management Unit** Director;
- The same evaluation committee should ideally proceed into pre-contract discussions or negotiations within the limitations for the same as specified in the Handbook and this Manual;
- The competent Minister/CEO is the appointing authority of evaluation committees; the competent Minister/CEO is also the approving authority of the evaluation outcomes. Consequently, the competent Minister/CEO will not be a member of chair of such committees; The competent Minister/CEO shall appoint a committee for each procurement activity (or groups/categories of activities as long as the competencies, experience and skills required are common and as long there is no overlap in terms of timing and workload); the committee is formed sufficiently in advance of the date and time of opening, and its constituents should remain confidential until the public opening date and time;
- Any attempt by a prospective bidder or economic operator to influence any of the committee members or any of the **Project Management Unit** or end-user staff or staff of concerned government agencies should not be tolerated; it should be recorded in the evaluation report and referred to competent authorities;
- The committee shall have the following authorities:
 - Independently evaluate each submission based on its own merits and on the basis of criteria included clearly in the solicitation documents;
 - Decide individually (each member) on the outcome of evaluation and collectively (committee jointly) where consensus is needed, without the recourse to any person or authority external to the committee;
 - Request the assistance of subject-matter experts to be appointed by competent Minister/CEO;
 - Decide on the deviations identified in each submission and classify each as minor or major based on the sole guidance of the Handbook, the content of the procurement documents while ensuring fairness, equal treatment, proportionality and transparency;
 - Decide on the need for and content of clarifications from bidders in line with the provisions of the solicitation documents and the Handbook;
 - Decide autonomously on the rejection of a submission with detailed justifications;
 - Decide autonomously on the rejection of all submissions and cancellation of the process if one of the conditions of cancellation in the Handbook is present;
 - Decide with due substantiation on the recommendations for award;
 - Report any attempt to influence the committee in the conduct of its work;

- Refrain from disclosing any information related to its work to any person or entity until the proceedings of evaluation are completed; then, internal reporting as well as reporting to IFAD are required before the evaluation outcome can be made public;
 - Provide detailed opinion and feedback for any complaint or debrief request;
 - Where negotiations are permitted, manage the whole negotiation process within the limits allowed by the Request for Proposal and Handbook and within the validity period of proposals;
- In addition to appointing the committee, the competent Minister/CEO reviews and approves the outcome of evaluation; the competent Minister/CEO has the following authorities:
 - Replace a member of the committee for reasons of conflict of interest or other reasons and amend the committee formation decision accordingly;
 - Issue requests for bid validity extensions if duly substantiated by the committee;
 - Approve the recommendations as submitted by the committee in the signed report;
 - Upon receipt of the signed report, clarify from the committee aspects of the evaluation and request more elaboration and substantiation;
 - Reject the recommendation of the committee based on detailed justifications;
 - Approve the dissemination of the outcome of evaluation (e.g. NOITA, NOA, Cancellation notices, etc.)
- The committees shall refer to IFAD Procurement Handbook for detailed guidance on evaluation (see section 2.6.2 above).
- In case the procurement activity exceeds the threshold for which the PMU can manage procurement and the activity needs to be managed centrally by CTD or CPD, then the committee formation will take into account the above provisions to the extent admissible by law.

IFAD-funded PMU staff selection

The procedure to recruit IFAD-funded staff to join the **Project Management Unit** will be the Individual Consultant Selection procedure (ICS) described in IFAD Procurement Handbook. This does not apply to staff seconded by government. As stated under section 2.8 (bullet 2), selection of **Project Management Unit** staff or changes to staff shall be coordinated in advance with IFAD. If the selection process exceeds the prior review threshold for individual consultants, the selection shall be also subject to the No Objection by IFAD through OPEN as per section 2.7.6 above. To identify whether the selection process is subject to N.O., the **Project Management Unit** shall estimate the cost covering the remuneration for the full remaining duration of the project as per the Financing Agreement. Some IFAD-funded **Project Management Unit** staff selections are subject to No Objection regardless of the value as per the PAL (including all procurement staff). All staff recruitment shall feature in the relevant Procurement Plan.

The selection process shall follow the ICS procedure with the following highlights adapted for the particular case of selecting **Project Management Unit** staff:

- Preparation of TOR using IFAD SPD Template – TOR;
- Preparation of REOI using IFAD SPD Template – REOI Advertisement;
- If interviews with the shortlisted applicants are foreseen to help identify the most qualified applicant,
 - the interview as well as the related criteria should be explicitly specified in the REOI and TOR; this means that the interview requirement must be known in advance and announced to the public as well;
 - the interview competencies required should be assigned a weight in addition to the weights for other qualification criteria;
 - competency criteria should be formulated in a clear and objective manner;

- interviews should be based on the same set of competency questions used with all candidates;
- all applicants passing the minimum score (for CV evaluation) shall be invited for interview;
- interviewees should be given sufficient time in advance;
- interviews should be held online in case of obstacles to physical meeting are present;
- In addition to competency questions, **Project Management Unit** may test interviewees to validate their knowledge and experience through one or more “technical questions” which also shall be standardized and common to all interviewees;
- **Project Management Unit** shall consult with IFAD in advance for setting up the competency-based interview questions as well as the technical questions for each position; apart from such a consultation, the questions shall remain strictly confidential;
- the interviews shall be fully documented as well as the resulting scoring within the evaluation report;
- for the recruitment of long-term **Project Management Unit** staff funded by IFAD, competency-based interviews are recommended;
- The flowchart below depicts the main steps in the ICS procedure.

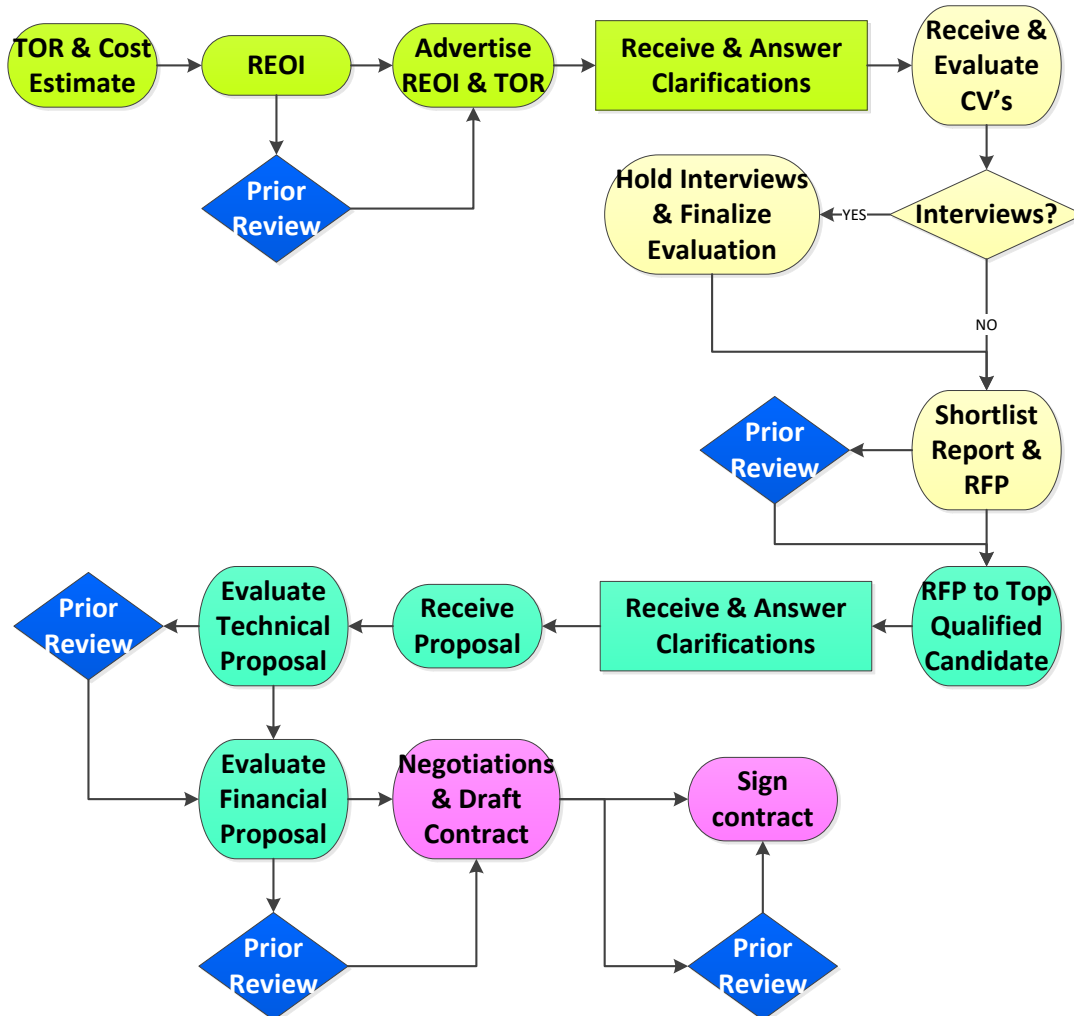
In exceptional and duly justified cases identified in the Handbook, Individual Consultants may be selected on a sole-source basis:

- tasks that are a continuation of previous work that the consultant has done and for which the consultant was competitively selected;
- certain assignments expected to last less than three months;
- emergencies arising from natural disasters;
- when the individual is the only consultant qualified for the assignment; and
- when the individual consultant assignment budget is below the predefined low value threshold for SSS.

In such cases, the **Project Management Unit** will launch a SSS through OPEN including detailed justifications.

Recruitment of Civil Servants is subject to IFAD’s policies. Whenever Operational Policy and Results Division (OPR) issues a new update, the PIM will need to be updated accordingly.

Figure 5- Flowchart for ICS procedure for selecting IFAD-funded project staff



Institutional Setup, Roles and Responsibilities

The below two tables clarify the roles and responsibilities of all stakeholders especially those entrusted with one or more functions of the procurement cycle. The first table is a high level representation of organizational roles and responsibilities of high-level procurement functions among concerned entities while the second table (in Annex 1) is a detailed Responsibility Assignment Matrix covering the majority of procurement functions and steps within the **Project Management Unit**.

	JEDCO PMCU <i>لجنة الشراء المحلية</i>	MOPIC	Steering Committee	Central Proc. Dept. <i>لجنة الشراء المركزية</i>
AWPB	R	--	A	--
Prepare Procurement Plan (PP)	R	--	A	--

Finalize and Approve PP	I	--	R/A	--
Manage PP updates and upgrades	R	--	C/I (major changes only)	--
Prepare Technical Requirements	R	--	--	--
Finalize and Approve Requirements	R	--	--	C (>60,000 JOD)
Prepare Bidding Documents (B.D.)	R (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Finalize and Approve B.D.'s	R/A (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Publish Notices and Advertisements	R/A (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Bid Opening Committee	لجنة الشراء المحلية R (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Evaluation committee Members	لجنة الشراء المحلية R (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Form Evaluation Committees	لجنة الشراء المحلية R (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Manage Bid/Proposal Opening	لجنة الشراء المحلية (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Manage Bid/Proposal Evaluation	لجنة الشراء المحلية (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Approve Evaluation Recommendations	A (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Manage Debriefs and Protests	R/A (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Prepare Draft Contract	R/A	--	--	--
Sign Contract	R/A	--	--	--
Technical Management of Contract	R/A (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Contract Management	R/A (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Acceptance committee members	R/A (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Form Acceptance Committee	R/A (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Review Payment Requests	R/A (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Check and approve payment requests	R/A (<60,000 JOD) with Fin. Controller	--	--	--
Process Payments	R/A (<60,000 JOD)	--	--	--
Archive all procurement-related files	R/A (<60,000 JOD)	--	--	R/A (>60,000 JOD)
Correspond with IFAD for No Objection	R/A	--	--	--

Table 7 - Inter-agency Procurement Roles and Responsibilities

It is worthy to note that the above-mentioned threshold of JOD 60,000 applies to goods and services. For works, the threshold is JOD 500,000. Noteworthy also is that grant management is fully regulated by IFAD in the design report financing agreement and PIM. There are no national thresholds on grant management. Contract signature is by JEDCO CEO.

Annex 1: Responsibility Assignment Matrix (RAM - RACI) Template

This RAM clarifies the roles and responsibilities of units and staff in each phase/step of implementation of procurement and procurement-related activities within the IFAD project. It assigns for each step the person who is Responsible, Accountable, Consulted, or Informed. It facilitates internal workflow and inter-agency coordination, removes any ambiguity, and promotes accountability. In each cell against each activity, the letters “R”, “A”, “C”, or “I” are entered for the respective function as is applicable. The meaning of each is as explained in the Legend below:

Activity/Role	MOPI C	JEDCO CEO	JEDCO لجنة المشتريات	JEDCO Project Manager	JEDCO Project Staff	JEDCO Proc. Specialist	JEDCO M&E Off.	JEDCO Financia l Off.	JEDCO O Audito r	Min Finance Fin. Controller	of Steering Committ ee
AWPB – elaborating activities	--	--	--	A	R	C	R	R	C	--	--
AWPB - budgeting	--	C	--	R	R	C	C	A	C	--	--
AWPB – other - approval	--	A	--	C	--	--	--	--	--	--	R
Procurement Plan – packaging (lots)	--	--	--	A	C	R	I	--	--	--	--
Procurement Plan – scheduling (timing)	--	--	--	A	R	R	I	I	--	--	--
Procurement Plan – procurement methods	--	--	--	A	I	R	--	I	I	--	--
Procurement Plan – consolidation (final)	--	A	--	R	I	R	I	I	I	--	A (with AWPB)
Procurement Plan - update or upgrade	--	--	--	A	C	R	I	I	I	--	I (major changes only)
All Requests for No Objections	--	--	I (evaluation N.O.)	A	I	R (exceptionally	--	--	--	--	--

Activity/Role	MOPI C	JEDCO CEO	JEDCO لجنة المشتريات	JEDCO Project Manager	JEDCO Project Staff	JEDCO Proc. Specialist	JEDCO M&E Off.	JEDCO Financia l Off.	JEDC O Audito r	Min Finance Fin. Controller	of	Steering Committ ee
						in absence of PM)						
Initiation (request to start preparation)	--	A (on TOR/Spec s)	--	R	C	I (R in absence of PM)	I	--	--	--		--
Market research	--	--	--	A	R	I	--	C (on prices)	--	--		--
Stakeholder consultation/coordination	--	--	--	A	C	C	C	--	--	--		--
Cost and schedule estimation	--	A (case- by-case)	--	A	R	R(only for the schedule estimation)	C	C	--	--		--
TOR/Technical Specifications	--	--	--	A	R	I	--	--	--	--		--
Requisitioning (request to launch procurement)	--	A	--	R	C	I	I	I	--	--		--
Qualification criteria	--	--	--	A	R	C	--	--	--	--		--
Request for Expressions of Interest	--	A	--	A	C	R	--	--	--	--		--
Pre-qualifications documents	--	A	--	R	C	R	--	--	--	--		--
Bidding documents, Requests for Proposals, Requests for Quotations	--	A	--	C	C	R	--	--	--	--		--

Activity/Role	MOPI C	JEDCO CEO	JEDCO لجنة المشتريات	JEDCO Project Manager	JEDCO Project Staff	JEDCO Proc. Specialist	JEDCO M&E Off.	JEDCO Financia l Off.	JEDC O Audito r	Min Finance Fin. Controller	of Steering Committ ee
Invitation letters (for direct invitation)	--	A	R > than 5000 JOD	R < than 5000 JOD	I	R < than 5000 JOD	--	--	--	--	--
Publicity and dissemination	--	A	R (local or central)	R	I	R	--	--	--	--	I
Formation of Technical Committees	--	A < than 5000 Dinar	R > than 5000 JOD	R < than 5000 JOD	I	I	--	--	--	--	--
Receipt and handling of clarifications	--	--	I	A	C	R	--	--	--	--	--
Pre-bid conferences	--	--	R/A	C	--	C	--	--	--	--	--
Receipt of bids	--	--	A	I	--	R	--	--	--	--	--
Safekeeping of bids	--	--	R/A Central or Local	--	--	R	--	--	--	--	--
Receipt and management of appeals	--	--	R/A اللجنة الفنية	--	--	I	--	--	--	--	--
Approval of Evaluation Recommendations	--	A (local only)	R/A Central or Local	I	--	I	--	--	--	--	--
Approval of Negotiation findings	--	A (local only)	R	I	I	I	--	I	--	--	--
Contract signature	--	A	--	R	--	R(preparing the contract)	--	---	--	C	I
Contract monitoring Form	--	--	--	A	--	R	--	--	--	--	--
Commencement order	--	--	--	A	C	C	--	--	--	--	--

Activity/Role	MOPI C	JEDCO CEO	JEDCO لجنة المشتريات	JEDCO Project Manager	JEDCO Project Staff	JEDCO Proc. Specialist	JEDCO M&E Off.	JEDCO Financia l Off.	JEDC O Audito r	Min Finance Fin. Controller	of	Steering Committ ee
Access to site	--	--	--	A	C	C	--	--	--	--	--	--
Suspension of works/supply/services	--	A (depending on reasons)	R	R	C	C	--	--	--	--	--	I
Granting Extension of Time by less than or equal to 25% of original duration	--	A	R	R	C	R (analysis & prepare)	--	--	--	--	--	I
Granting Extension of Time by more than 25% of original duration	--	A	R	R	C	R (analysis & prepare)	--	--	--	--	--	I
Application of liquidated damages	--	A	R/A	R	C	R (exceptionally)	--	C	C	C	C	--
Changes in specifications/quality	--	--	R/A	R	C	R (analysis & prepare)	--	--	--	--	--	--
Changes in sequencing of activities	--	--	--	A	C	R (analysis & prepare)	--	--	--	--	--	--
Increasing quantities resulting in increasing contract value	--	A	R/A	R	C	R (analysis & prepare)	--	C	C	C	C	I
Adding new items not provisioned in the contract increasing contract value	--	A	R/A	R	C	R (analysis & prepare)	--	C	C	C	C	I
Payment validation	--	A	--	A (clears from CEO)	C	R receives & checks è PM	--	R (after CEO)	I	R checks just before payment	--	--

Activity/Role	MOPI C	JEDCO CEO	JEDCO لجنة المشتريات	JEDCO Project Manager	JEDCO Project Staff	JEDCO Proc. Specialist	JEDCO M&E Off.	JEDCO Financia l Off.	JEDC O Audito r	Min Finance Fin. Controller	of Steering Committ ee
Payment processing	--	A (pays)	-	A (pays)	I	I	--	A (pays)	I	R (verifies)	--
Review of submitted guarantees	--	--	R (central)	C	--	R (local)	--	--	--	--	--
Forfeiture of a bank guarantee	--	A	R (central or local)	R	C	C	--	C	I	I	--
Safekeeping of bank guarantees	--	A	R (central)	I	--	R (local)	--	I	--	--	--
Validation of Insurance Policies	--	--	--	A	--	R	--	--	--	--	--
Receipt and processing of contract correspondence – day-to-day - technical	--	--	--	A	R	C	--	--	--	--	--
Receipt and processing of contract correspondence – day-to-day - contractual	--	--	--	A	C	R	--	--	--	--	--
Changes in contract terms and conditions (other than mentioned above)	--	A	R (decision)	R	C	R (analysis & prepare)	--	C	I	C/I	I
Amicable settlement proceeding	--	A	R	R	C	C	--	C	I	C/I	--
Approving deliverables and outputs	--	A	R	C	C	C	--	--	--	--	--
Certification of readiness for acceptance	--	--	--	A	R	C	--	--	--	--	--
Formation of acceptance committees	--	A	R (central) > 60,000 JOD	R (local) < 60,000	I	R (local) < 60,000	--	--	--	--	--

Activity/Role	MOPI C	JEDCO CEO	JEDCO لجنة المشتريات	JEDCO Project Manager	JEDCO Project Staff	JEDCO Proc. Specialist	JEDCO M&E Off.	JEDCO Financia l Off.	JEDC O Audito r	Min Finance Fin. Controller	of Steering Committ ee
Approval of acceptance findings	--	A	R	C	C	C	--	--	--	--	--
Vendor Assessment Form ²³	--	--	--	A	R	R	--	--	--	--	--

R: Responsible: Executes or approves or clears; the person(s) who is (are) entrusted with a task or process.

A: Accountable: Holds responsibility and is accountable; one person per RAM line; usually the senior authority of an organization or can be also middle management in case of empowerment and decentralized management.

C: Consulted: participates by reviewing/commenting on documents, deliverables, activities or processes; reviews and comments are documented but may or may not be taken into account depending on final decision of Responsible person or Accountable person.

I: Informed: copied on process/document “for information”. Whether action needs to be taken or not by the “Informed” person depends on the person’s role and organizational duties.

²³ See Annex 5 for the template of the Vendor Assessment Form.

Annex 2: Procurement Records and Files

Document	Preferred Format
(i) a copy of the published REOI advertisement or shortlist (if applicable) *	Hard copy
(ii) a copy of the published pre-qualification and bidding documents and any amendments, extensions or clarifications requested and issued *	Hard copy
(iii) a record of the tender opening, signed by all TEC members and the bidders present	Hard copy
(iv) a full copy of each bid received and evaluated, plus clarifications requested and responses received	Hard copy
(v) a copy of the evaluation report *	Hard copy
(vi) signed minutes of all meetings related to the procurement, including pre-bid and negotiation meetings, when held	Hard or soft copy
(vii) a contract award notice *	Hard copy
(viii) any letter of tender acceptance to the supplier, contractor or consultant *	Hard copy
(ix) the signed contract document and contract acceptance *	Hard copy
(x) any contract amendments *	Hard copy
(xi) all contractual correspondence between the procuring entity and a supplier, contractor or consultant	Hard or soft copy
(xii) post-contract documents related to the fulfilment of contract obligations, especially photocopies of bank guarantees or payment guarantees	Hard copy
(xiii) signed minutes of any meetings related to contract management, including contract progress or review meetings	Hard copy
(xiv) signed delivery documents evidencing delivery of supplies, or signed completion certificates related to a contract for services or works under the contract, including any contract delivery records	Hard copy
(xv) a copy of all invoices for works, services or supplies, including working papers verifying the accuracy of payments claimed and details of the actual payment authorized	Hard copy
(xvi) a copy of cumulative payment worksheets/records evidencing management of all payments made	Soft copy
(xvii) all decisions of the concerned borrower's approval authority related to the procurement, including the approval of the bidding documents, the approval of the evaluation report(s), the contract award, the approval of contract documents and contract amendments and any decision to suspend or cancel procurement proceedings	Hard copy
(xviii) a copy of any claims made by the procuring entity with respect to any warranty, non-warranty, short supply, damage and other claims against the contracted vendor or the procuring entity	Hard or soft copy
(xix) in the case of IFAD prior review, all submissions and correspondence related to the seeking of IFAD's no objection (NO) and a copy of the respective IFAD NO letter.	Hard or soft copy
(xx) any other communications related to the procurement in question, including internal entity correspondence	Hard or soft copy

** Ideally, previous drafts (before the final version is issued) of these published documents and reports should also be retained for completeness and to provide a full picture of how the published document evolved. It is accepted, however, that in the case of space limitations, this is not always feasible in practice.*

Annex 3: Guidance on using OPEN

For the QUICKCARDS, please refer to the “HELP” function in the OPEN System.

Annex 4: Vendor Assessment Form

VENDOR ASSESSMENT FOR WORKS/SUPPLIES/SERVICES CONTRACTS

FORM²⁴

Project Name:
Contract Name:
Location:
Contract Reference:
Name of Contractor:

1 PLANNED IMPLEMENTATION PERIOD

From	<i>Planned commencement date of the contract</i>	To	<i>Completion Date: End of Warranty:</i>

2 ACTUAL IMPLEMENTATION PERIOD

From	<i>Actual Commencement date of the contract</i>	To	<i>Completion Date: End of Warranty:</i>

3 CONTRACT VALUE (Currency)

Original		Updated	

²⁴ Adopted with modifications from <https://ec.europa.eu/europeaid/prag/annexes>

3 PERFORMANCE RATING OF VENDOR

Factor	Rating	Comments
Achievement of contract objectives (as per the technical specifications and drawings or terms of reference)		
Achievement of contract objectives (as per the required quantities)		
Achievement of contract objectives (as per the agreed time limits)		
Quality of work/supplies/services		
Good faith and cooperative attitude		
Risk management and mitigation measures		
Respect to contractual responsibilities and liabilities		
Litigation and claims-man-ship: the tendency to engage in claims and disputes		
Beneficiary feedback on the vendor (e.g. trainees in training, target groups in awareness, municipality benefiting from construction, etc.)		
Other criteria: ...		
TOTAL VENDOR SCORE (average) ²⁵		

Rating scheme	
1	Excellent
2	Good
3	Average
4	Below average
5	Unsatisfactory

²⁵ The Total Score gives an overview of the overall performance of the Vendor; a score higher than 3 is considered not acceptable and should be justified with the measures taken by the Implementation Unit or Agency during or upon completion if applicable.

4 PERFORMANCE RATING OF KEY PERSONNEL

Name ²⁶	Client relations	Written communication	Verbal communication	Drive & determination	Job management	Personal effectiveness	Technical competence	Overall
TOTAL PERSONNEL SCORE (Average) ²⁷								

Rating scheme	
1	Excellent
2	Good
3	Average
4	Below average
5	Unsatisfactory

5 REPRESENTATIVES (Technical and Contractual)²⁸

Name	
Signature	
Date	

Name	
Signature	
Date	

6 APPROVED BY:

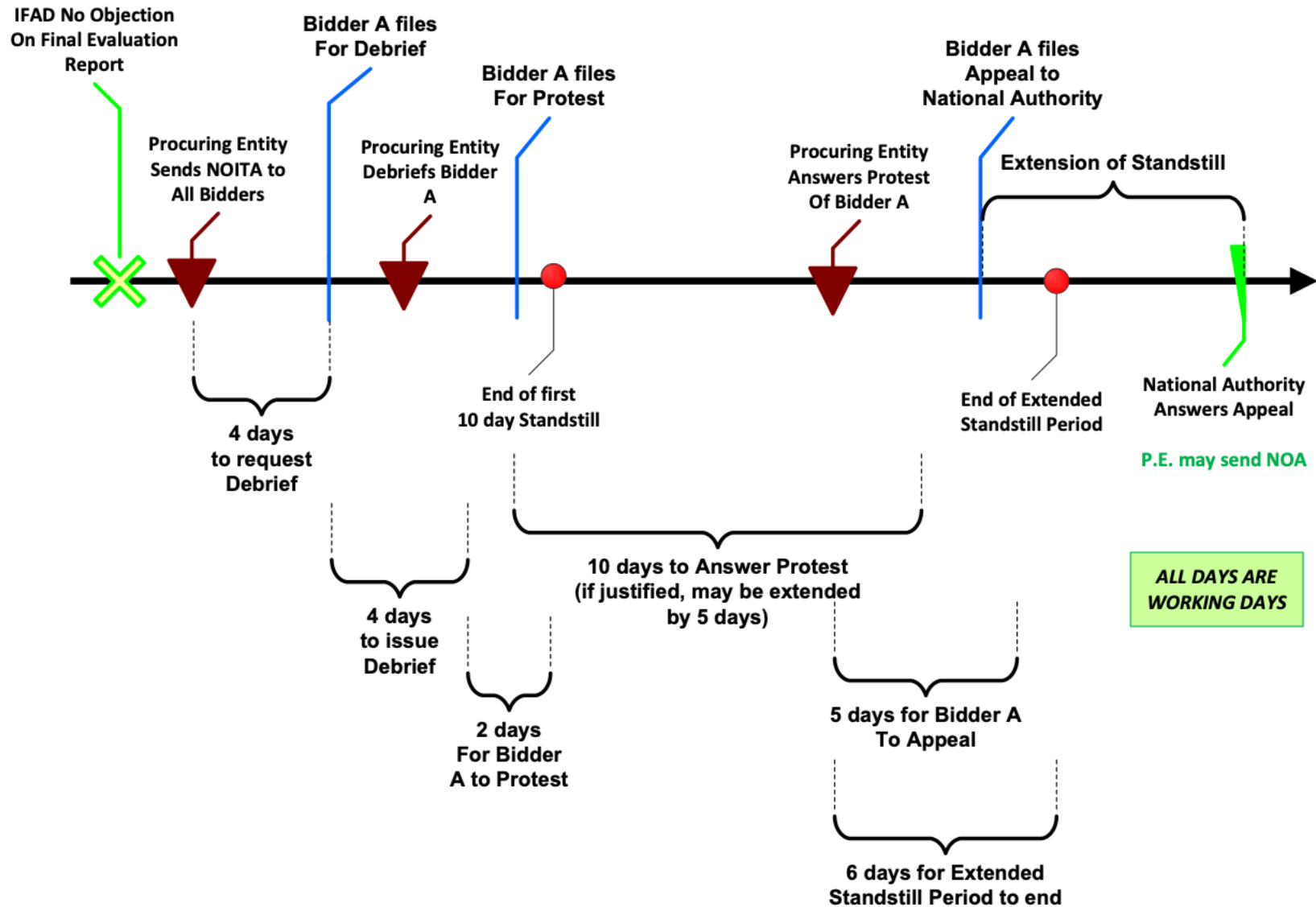
Name	
Signature	
Date	

²⁶ The Key personnel include: Vendor representative or project director; key experts nominated in the contract; other experts not specified in the contract, but were involved in implementation; and (for construction works) staff managing construction.

²⁷ The Total Personnel Score gives an overview of the performance of the vendor staff on the project; a score higher than 3 is below average and should be appended with clarifications on what measures were taken during implementation or upon completion, if applicable.

²⁸ The staff supervising the contract during implementation and not the acceptance committee members.

Annex 5: Debrief, Protest and Appeal Timeline



Annex 6: SECAP for Procurement

Introduction

This document provides indication to the SPO on the SECAP risks to be incorporated into procurement plans. While the general integration of SECAP requirements into procurement documents is described into ANNEX 4, Volume 1 of the SECAP, the project specific risks are as identified by the SECAP online tool. The ES specialist has identified, through the SECAP environmental and social screening checklist, the issues in the table below that need to be mitigated through procurement. In case the SPO has ambiguity as to the guidance provided by the ES specialist in the rightmost column of the below Results Table, then the SPO will need to collaborate with the ES specialist and relevant members of the PDT in order to reach an agreement as to how these ES issues can be dealt with best through procurement mitigation measures that the Borrower must be required to put in place with respect to procurement parameters like:

1. Technical Specifications
2. Bidder Qualification
3. Bid Evaluation Criteria
4. Contract Clauses

For Example, if use of harmful types of pesticide is an issue in the project area, then it can be dealt with through the specifications of the pesticide and both the ES specialist and the SPO will agree that the project will use a "WHO-FAO approved pesticide and that WHO-FAO codes for safe labelling, packaging, handling, storage, application and disposals of pesticide are respected". If the project involves work in a sensitive cultural heritage area or an area where biodiversity is to be protected, then the successful past experience of the contractor in working in such zones is critical and the ES specialist will select "Bidder qualification" and "Bid Evaluation Criteria". If labour conditions or indigenous peoples' rights are often compromised in the project's area, then the ES specialist may select "Contract Clauses" and give whatever further guidance is possible for SPO. If deforestation or extensive use of natural resources in the project area is an issue identified by the ES specialist, then the ES specialist will chose "specifications" and "Bid Evaluation Criteria" and agree with the SPO to specify legally-harvested timber (or timber certified with the relevant label) and agree as to the evaluation criteria to be used to promote resource efficiency (e.g. evaluation criteria to favour energy efficient pumps, efficient transformer sub-stations, fuel saving equipment etc.).

The ES specialist, relevant members of the PDT and the SPO will need to consult together and pool their collective expertise in the various disciplines in order to arrive at the right mitigation measures to be reflected in the PRM. In this manner downstream work by the SPO in prescribing the project requirements for the Procurement Plan (PP) and PDR are facilitated and can be readily reflected in the PIM and the choice of bidding documents and contract provisions.

Environmental and Social Safeguards			
Biodiversity	Risk Rating	Consequence	Guidance for SPO

Environmental and Social Safeguards

1.8 Will the project involve or lead to procurement through primary suppliers of natural resource materials (wood, gravel, sand, etc.)?	Low	Minor Project will require procurement of natural resources through primary suppliers, and resource extraction is tightly regulated. Alternatives to procurement of natural resources through primary suppliers exists.	- Give preference to suppliers adhering to environmental certifications such as ISO 14025, even if their products are more expensive. - For cement, favor suppliers employing the energy-efficient dry kiln process over the more energy-intensive wet kiln process (if rated criteria is used)

Resource Efficiency and Pollution Prevention	Risk Rating	Consequence	Guidance for SPO
2.1 Could the project involve or lead to the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	Low	Minor Pollutants may possibly be released, either routinely or by accident, but treatment systems are proven and verified. Receiving environment has absorptive capacity.	- Machinery used for construction work should be relatively new (2018 or newer). - Construction waste should be properly disposed of in assigned landfills. - Procurement of goods should account for life cycle costing where applicable (e.g. vehicles, machinery, solar systems, etc.).
2.3 Will the project involve or lead to significant consumption of raw materials and energy?	N/A	N/A	- If rated criteria is used, apply preferences for clean energy in construction/production.
2.5 Will the project involve the use of agrochemicals (pesticides, fertilizers, and other modifying agents) which have potential to pollute soils and water bodies or cause other negative impacts?	Moderate	Moderate The project will require use of fertilizers, pesticides and/or other modifying agents, but options are available to replace polluting fertilizers and/or pesticides with alternatives. The adaptive capacity of the environment is high, which should ameliorate most potential pollution problems.	- No procurement of agrochemicals shall be allowed by the grants. - PIU/I.P. shall include in beneficiary support TORs the raising of awareness on avoidance and exclusion of agrochemicals.
Cultural Heritage	Risk Rating	Consequence	Guidance for SPO

Environmental and Social Safeguards

Minor

3.4 Could the project involve or lead to utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?

Low

The project could be located in an area that is considered to be of cultural heritage value, but the project does not use tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial purpose.

- PIU and I.P. shall engage in activities that foster respect and honor to cultural practices and cultural heritage.

Labour and Working Conditions	Risk Rating	Consequence	Guidance for SPO
5.1 Could the project operate in sectors or value chains where there have been reports of discriminatory practices and the lack of equal opportunity (for disadvantaged and vulnerable workers, including women, children of working age, migrants and persons with disabilities), denial of freedom of association and collective bargaining, labour migrants?	Moderate	Moderate The project will operate in sectors or value chains that have, in the past, not met national labour laws, or international commitments, but is now adequately nationally regulated. International value chains are occasionally audited for environmental or social performance.	- PIU and I.P. providing grant support (including application preparation, targeting activities, etc.) shall stress safeguards and SECAP compliance. - SECAP compliance shall feature in eligibility of applicants, evaluation of applications, and monitoring of grant execution. - Having a robust grant scheme governance model proposed in PIM enhances effectiveness of safeguards and SECAP monitoring. - A checklist has been developed for ensuring grant execution SECAP compliance. PIU/I.P. to use this checklist when monitoring grantees. - Any incident of child employment (main or sub-contractors) will be remedied by forfeiture of E&S Performance Security and termination of contract.
5.3 Could the project involve children (a) below the nationally-defined minimum employment age (usually 15 years old) or (b) above the nationally-defined minimum employment age but below the age of 18 in supported activities or in value chains?	Moderate	Moderate The project will operate in sectors or value chains where child labour was evident in the past. However, child labour is now regulated and is illegal under national law.	- The PIUs should provision for SECAP awareness in every pre-bid meeting. - Grantees shall be sensitized about the remedies in case of any incident of child/forced labor. - SECAP compliance checklist shall be properly filled during grant monitoring.

Environmental and Social Safeguards

5.4 Could the project: (a) operate in a sector, area or value chain where producers and other agricultural workers are typically exposed to significant occupational and safety risks, and/or (b) promote or use technologies or practices that pose occupational safety and health (OSH) risks for farmers, other rural workers or rural populations in general? (Note: OSH risks in agriculture might include: dangerous machinery and tools; hazardous chemicals; toxic or allergenic agents; carcinogenic substances or agents; parasitic diseases; transmissible animal diseases; confined spaces; ergonomic hazards; extreme temperatures; and contact with dangerous and poisonous animals, reptiles and insects. Psychosocial hazards might include violence and harassment.)

Moderate

The project will operate in a sector, area, or value chain where workers are occasionally exposed to OSH risks, and where regulation is known to be weak or non-existent. However, there is no evidence of illness or death.

- Insurance clauses on labor and Third-Party Health and Safety should be closely reviewed and monitored. They should be of sufficient coverage.
- All labor (main and sub-contractors) shall be subjected to OSH training before commencing works.
- The E&S specialist (SECAP) in the PIU should conduct scheduled and ad hoc visits to construction sites and manufacturer facilities and validate the compliance with SECAP requirements.
- The Engineer appointed to supervise works shall have in the job description the detailed requirements for monitoring SECAP more regularly.

Community Health, Safety and Security	Risk Rating	Consequence	Guidance for SPO

6.5 Could the project lead to the potential for gender-based violence, including sexual harassment, exploitation and abuse, as a result of labour influx, land redistribution, or other actions that alter community dynamics?

Moderate

Moderate

The project may lead to moderate changes to community dynamics may result in increased potential for gender-based violence or sexual exploitation. Gender-based violence protocols in place.

- Grantees shall be sensitized by the PIU/I.P.
- Grant CfP and application evaluation shall include clear instructions on prohibited practices and reporting hotlines.
- SECAP monitoring checklist will assess risks and breaches

Physical and Economic Resettlement	Risk Rating	Consequence	Guidance for SPO

Environmental and Social Safeguards

7.4 Could the project result in adverse impacts on or changes to land tenure arrangements and/or community-based property rights/customary rights to land, territories and/or resources?

- Grant CfP will require ownership or proper lease of plots in which works or grant projects will be executed.
- SECAP compliance checklist will verify any infringements

Financial Intermediaries and Direct Investments	Risk Rating	Consequence	Guidance for SPO
8.1 Could the investment be granted to an institution that does not have an environmental and social policy and an associated environmental and social management system (ESMS) in place (transparent, publicly available)?	Moderate	Moderate The institution does not have an ESMS in place, but several individual E&S policies. The policies are therefore not considered as transparent. The reporting on E&S is available upon request.	- Larger scale grantees will be assessed for their ESM systems and policies - SECAP compliance checklist will verify infringements
8.2 Could the investment be granted to an institution with insufficient capacities (i.e. unqualified personnel e.g. ES Officer) to implement the ESMS?	Moderate	Moderate The institution does not employ an ES Officer, but has sufficiently trained field staff available to monitor the impact of the operations of the institution.	- Larger scale grantees will be assessed for their ESM systems and staffing - SECAP compliance checklist will verify infringements

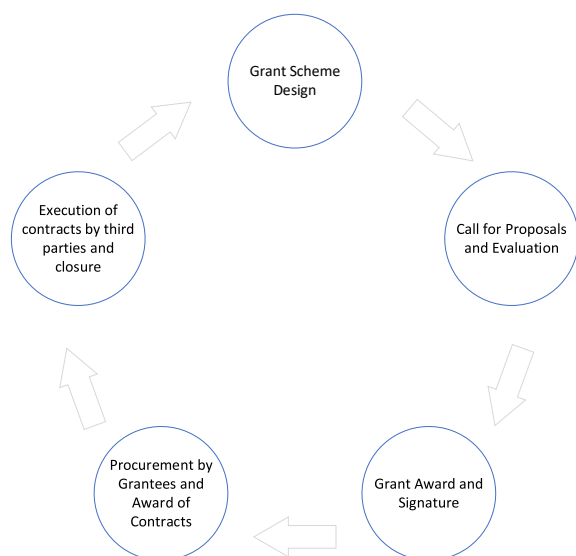
Annex 7: Procurement Staff TORs

See section 9

Annex 8: Ensuring SECAP Compliance in Grants

Background: REGEF-UP includes a number of grant schemes that involve various monetary grants for grantees (beneficiaries) to procure and execute various types of projects including but not limited to

- Agricultural equipment and inputs
- Rainwater harvesting
- Hydroponic systems
- Irrigation networks
- Wells
- Greenhouses
- Solar power systems
- Etc.



The responsibility of procurement and execution of the above rests with the grantees under supervision by PIU/I.P.

The aim of this checklist is to form a basic SECAP compliance monitoring tool and not to replace SECAP requirements and standards or to undermine extant laws related to environmental and social responsibility and standards. It takes into account that the grants are generally of small value.

The areas to be checked and verified may differ from one grant category to another. For example, grants involving construction, plant and carbon-emitting machinery have a greater environmental

and social footprint compared to other simpler grants such as simple tools and equipment.

Grant Cycle: PIU staff or appointed representatives need to engage in monitoring SECAP compliance at several phases of the cycle:

- **Grant Scheme Design:** The scheme shall, to the maximum extent possible, clearly specify that grants will not be accepted for financing goods or works that are illegal; constitute threat to community, natural habitat, or local customs; consume valuable natural resources; or pose other environmental or social safeguard threats. Grant schemes based on rating shall also rate the extent of negative environmental and social footprints of proposals and integrate the same in the award process whenever possible.
- **Call for Proposals and Evaluation:** The Call for Proposal shall clearly refer to SECAP standards and shall sensitize communities about environmentally and socially-friendly proposals. Evaluation Criteria shall, to the extent possible, integrate the above-mentioned criteria.
- **Grant Award and Signature:** Before any grant is awarded, the PIU shall verify the compliance of grantees with nationally-established licensing and permitting requirements such as, but not limited to, building permits, right-of-way, practice licenses, Environmental Screening, environmental Impact Assessments, etc. The award of the grant can proceed subject to conditioning payment to the compliance with the above. The PIU shall preferably conduct collective sensitization and training to grantees at the time of award (if not already conducted during proposal preparation) on climate-smart practices, environmentally-friendly construction methods and plant processing techniques, fair labor practices, etc.
- **Procurement by Grantees:** Once sensitized and trained, grantees can engage in procuring the subject of their grants in compliance with SECAP requirements as applicable.

- **Execution and Closure:** During execution of the grants, PIU staff or appointed representatives need to inspect
 - o The actual compliance of legal requirements concerning all permits, licenses and screenings. For example, the commencement of works can be conditioned on written PIU clearance after verifying the above.
 - o The execution at least twice: once midway and second towards the end to verify the SECAP compliance (see below checklist).

SECAP Reference: IFAD SECAP standards are accessible at <https://www.ifad.org/en/secap>

Checklist: The below checklist is a first draft that can be continuously updated with new criteria/indicators to be verified. It covers aspects that need to be verified by the PIU during monitoring of grant execution:

Indicator	Finding visit 1 ²⁹	Findings visit 2*
The grantee is well aware of the needed permits, licenses and screenings in relation to the grant contract.		
The commencement of grant execution starts only after required permits, licenses and screenings are obtained.		
The appointed contractor or supplier does not engage in child or forced labor and exercises fair labor practices (wages, shifts, overtime, working hours, etc.).		
The works on site involve no child or forced labor.		
Labor on site are (a) Jordanian; (a) Refugee; (c) Other		
The works on site do not feature any unsafe or hazardous practices to grantee, grantee family, labor, neighbors and other third parties.		
Labor on site are offered requisite health and hygiene conditions and safety tools and gear.		
Labor on site engage in safe construction practices.		
Labor and third parties on site or adjacent properties have easy access to emergency medical kits.		
The works on site are designed and executed so as not to pose threat, hazard or danger to any person, to on-site facilities, to public spaces, to neighbor facilities or their property.		
Labor and third-party persons on site are aware of standards concerning respect, avoidance of harassment and abuse, etc.		
Works and installations are being executed with minimal (if at all) disruption to natural habitat, environment, vegetation, biodiversity, and ecology.		

²⁹ Findings are reported based on the degree the indicator is satisfied [1-5] with [5] being fully met and [1] being not met at all. Whenever the rating is less than [5], the PIU staff should please explain the reason and the corrective action.

Indicator	Finding visit 1 ²⁹	Findings visit 2*
Works including transportation or movement of machinery do not pose any threat to roads and public spaces or to third parties or their properties.		
Any damage to roads, public spaces or third-party properties is sufficiently compensated or corrected as is applicable.		
Any injury (to any person) caused by grant execution is promptly treated and sufficiently compensated.		
Construction/installation waste is disposed of in dedicated sanitary or government appointed landfills or treatment facilities.		
The final works and installations are so executed as to have no negative impact on natural habitat, environment, vegetation, biodiversity, and ecology (consider emissions and production of pollutants, impact on ground water and surface water, impact on soil and vegetation, etc.)		
The grantee is well aware of its legal and contractual entitlements and indemnities against risks of defective design, defective material and defective workmanship.		
The grant does not include use or production of hazardous substances and chemicals.		
The grant execution and operation involve acceptable waste management practices (e.g. handling and treating refuse, waste generated, agricultural waste, etc.)		
There is a reasonable level of recycling and reuse if applicable.		
The site where the grant is being executed is fully owned by the grantee (or has legal title to use it) and is not a cultural heritage site.		
Works on site maximize the use of locally produced and sustainably sourced raw material.		
Works on site adopt, to the extent possible, locally established construction methods and practices.		
Works on site capitalize on labor intensive methods.		
Payment to appointed contractor/supplier by grantee follows acceptable milestones and frequency.		
Payment by contractor/supplier to their labor on site follow acceptable milestones and frequency.		

Indicator	Finding visit 1 ²⁹	Findings visit 2*
PIU staff (in site visits and interviews) verify the occurrence of any accident on site and ensure the suitable handling of the same in line with national legislation.		
PIU staff (in site visits and site interviews) verify the absence of complaints/grievances or their suitable redress.		
Grantees, contractor/supplier labor, and third parties have easy access to a grievance or complaint system.		
Other findings: ...		

Annex 9: Project Procurement Strategy

1. Project Overview

Country:	The Hashemite Kingdom of Jordan
Project Full Name and Number:	REGEF-UP
IFAD Loan / Grant amount (\$):	US\$ 49,385,700 (US\$ 15 million from IFAD; US\$ 10.6858 million from IsDB)
Loan/Grant Number:	TBA
List of Key Components:	C1- Resilient and Inclusive Value Chain Development 1.1 Micro-entrepreneurs' Production & Processing 1.2 Value Chain and SME Development C2- Inclusive & Catalytic Rural Finance 2.1 Improved Access to finance for MSMEs 2.2 Strengthened technical capacity of PFIs 2.3 Improved Financial literacy among rural residents C3- Project management & Policy Support

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XV.

2. List of Major Procurements under the Project

REGEP-UP primarily revolves around projects executed by grantees and debtors. Together, they constitute 86.4% of project funds. Consulting services comes next at 24.1% followed by 3.7% for operational expenditure and 0.3% for goods.

Table 8 - Approximate distribution of cost categories under REGEP-UP

Category	Approximate Percentage
1. EQUIPMENT & MATERIALS	0.3
2. CONSULTANCIES	9.8
3. GRANTS & SUBSIDIES	24.1
4. CREDITS	62.3
5. SALARIES & ALLOWANCES	3.7

As can be seen from the table above, the majority of the project budget is dedicated to credits/loans, followed by grants and then consulting services. The below breakdown of key contract packages distinguished them based on category.

Works	The project design does not foresee execution of procurement activities directly by any implementing agency/PIU. Works contracts will be procured directly by grant beneficiaries for rainwater harvesting, irrigation and hydroponic systems, etc. Hence, the PPS excludes strategic planning for works.
Goods	G.1 Procurement of 2 Vehicles (US\$ 63,100³⁰ funded by IsDB) G.2 Procurement of Office Furniture and Office Equipment in 2 lots (US\$ 57,400 funded by IsDB) G.3 Procurement of off-the-shelf IT systems (software) (US\$ 14,300 funded by IsDB) G.4 Office Rental (NCS) (US\$ 160,100 funded by IsDB) G.5 Fuel for 9 Vehicles (US\$ 49,200) G.6 O&M for 9 vehicles (US\$ 47,700 funded by IsDB) G.7 Procurement of M&E Equipment and Devices (GPS and tablets) (US\$ 2,400)

³⁰ All mentioned prices are inclusive of taxes and contributions unless otherwise stated.

	G.8 Miscellaneous workshops, trade fairs, exhibitions and events (NCS)
Services	S.1 Implementing Partner for Capacity Building and Grant Management – Window 1 (US\$ 1.4991 million) S.2 Implementing Partner for Monitoring, Mentoring and Supporting Grantees and exchange visits – Window 1 (US\$ 892,300) S.3 Business mentoring advisory services and e-learning for microentrepreneurs (US\$ 355,200) S.4 Technical Assistance and TOT for gender and nutrition (US\$ 177,000) S.5 Support to the development/enhancement of digital marketing and digital connectivity platforms (SMEs and farmers) (US\$ 145,400) S.6 Implementing Partner for Analysis and Targeting and Grant Management – Window 2 (US\$ 74,600) S.7 Implementing Partner for Digital Monitoring and Supporting Grantees – Window 2 (US\$ 62,500) S.8 Capacity Building for SMEs (production, harvesting, handling, grading, certification, standards, H&S, BDS, etc.) (US\$ 384,700) S.9 Technical Assistance and training to PFIs (US\$ 255,300) S.10 Farmer Financial Literacy Trainings (US\$ 251,400) S.11 Baseline Survey (US\$ 86,000) S.12 Midterm Survey (US\$ 95,700) S.13 End-line/Impact Survey (US\$ 99,100) S.14 M&E MIS development / enhancement plus maintenance (US\$ 38,100) S.15 Annual Audit (US\$ 10,000) S.16 PIU Staff Recruitment (7 positions for US\$ 1,5021 million) S.17 Technical Assistance to the Higher Council for Food Security (US\$ 21,100) S.18 Advisory services for inputs to NFSS review (US\$ 57,000) S.19 Advisory services for inputs to new Agri strategy (US\$ 35,600)
Grants	Gr.1 Grant Window 1 for Small-Holder Farmers (Water efficiency for small scale production) (US\$ 2.9437 million) Gr.2 Grant Window 1 for Small-Holder Farmers (processing) (US\$ 2.9437 million) Gr.3 Grant Window 2 for SMEs (US\$ 5.6913 million) Gr.green Grant window for green jobs (US\$ 301,900)

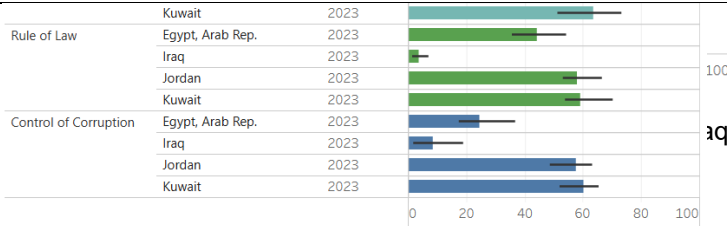
3. Overview of Country, Borrower and Marketplace

a. Operational Context

i. Governance aspects

Political Situation	SDG 16: Peace, justice and strong institutions ● ↑ Homicides ● ↑ Crime is effectively controlled ● ● Unsensitized detainees ● ● Birth registrations with civil authority ● ↓ Corruption Perceptions Index ● ● Children involved in child labor ● ● Exports of major conventional weapons ● ↓ Press Freedom Index ● → Access to and affordability of justice ● → Timeliness of administrative proceedings ● ↓ Expropriations are lawful and adequately compensated l. Below
Bureaucracy	The World Bank's worldwide governance indicators ³¹ over the years 2013, 2018 and 2023 for Jordan are as follows:

³¹ <https://www.worldbank.org/en/publication/worldwide-governance-indicators> accessed 28 April 2025.

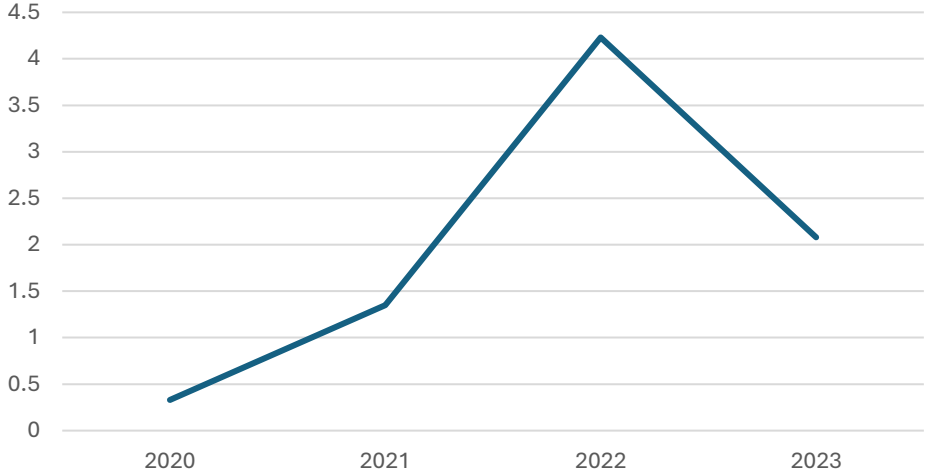
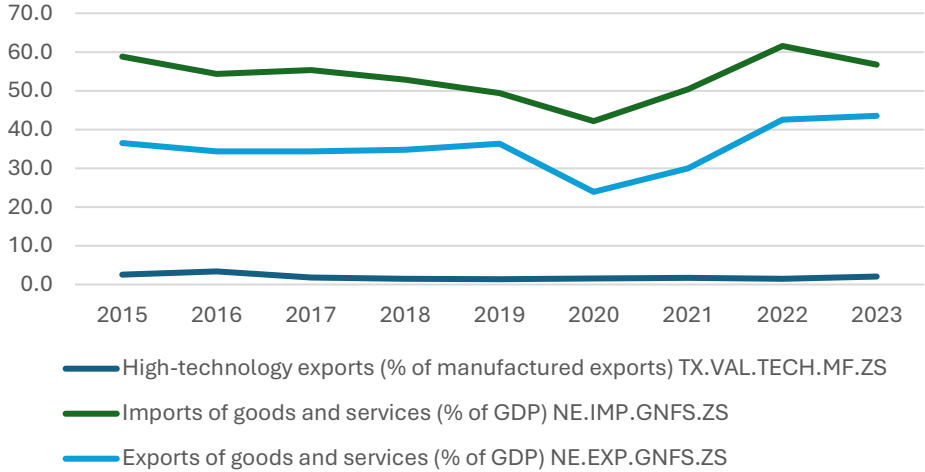
	 Among the 4 comparator countries, Jordan ranks top in Government Effectiveness and second to Kuwait in all other 5 indicators.	aq, Egypt and Kuwait (for comparative
Law Enforcement	The legal system in Jordan is well established and ranks very competitively in the region. It is expected that contractual breaches will be suitably addressed. In the case of grants and possible breach of contract, previous experiences under REGEP followed a three-step approach to recovery of funds: (1) amicable resolution by the I.A. and grantee; (2) referral to JEDCO; (3) referral to judicial system for recovery. Despite presence of such cases of breach, there are no records of recovery through the judicial system.	
Corruption	As of 2024, Jordan's CPI score is 49% (ranking at 59 out of 180 countries) with a 3-point increase since 2023.³² In grants that are of a medium-large size, there is active interference by "agents" or transaction facilitators/"consultants" who can corrupt an otherwise open and competitive process. The mismanagement of grants remains the primary risk under the new project especially that it was reported under REGEP that auditors failed to reach to grantees in several instances. In order to curb corruption, tax evasion, and fraud, the government mandated starting 1 April 2025 to use e-invoicing. The application of this mandatory e-invoice (invoice with a QR code that can be tracked and validated) will reduce fake invoicing that could have been used by grantees to justify the spending and the disbursement of the second payment.	
Fragility	Not applicable for Jordan; however, there is a sizeable community of displaced Syrian citizens in Jordan which may affect economic, environmental and social project objectives.	
Relevant Legislation	Procurement management: As per national legislation, procurement is centralized for activities above the threshold or in case of some specialized procurement. For example, the Ministry of Digital Economy and Entrepreneurship coordinates all ICT-related procurement. Furthermore, the procurement of vehicles, furniture and air conditioners requires the explicit clearance of the Presidency of the Council of Ministers. The aim is to control expenditures and adopt better asset management in the public sector. E-procurement (JONEPS) is used as the sole central system for activities above the threshold (> 60,000 for goods and services and > 500,000 for works). For lower threshold activities, the system is not yet being used. Financial management: the GoJ uses a centralized platform (GFMIS: http://www.gfmis.gov.jo/en) but that does not yet cover donor-funds. All public financial transactions are executed on the system. The platform tackles procurement management as well: "handles the implementation and following up of all matters related to the procurement methods, such as purchasing works, technical services, and supplies (goods and services). This process covers the whole procurement business cycle,	

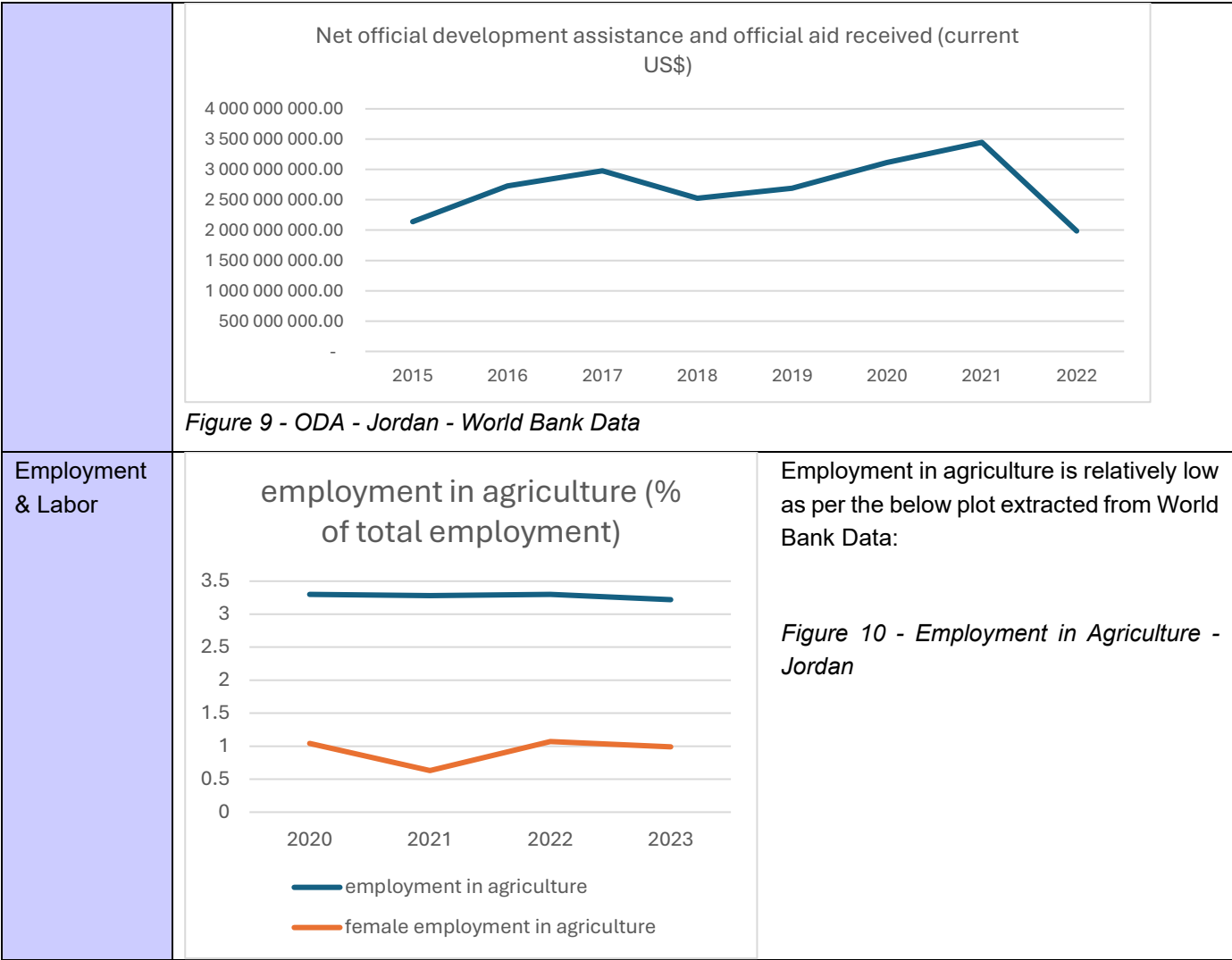
³² <https://www.transparency.org/en/cpi/2024> accessed 28 April 2025.

	starting with determining the need (purchase requests), till the final delivery according to the budget institutions special requirements.” However, the overlap with JONEPS is not clear. <u>Staff recruitment</u>: the Civil Service board is in charge with civil servant recruitment; however, there have been recent changes where the board allows public entities to first advertise internally for the vacancy; if unsuccessful, the entity can advertise externally and the civil service board participates in the selection process.
Procurement Law	- Procurement Law No. 8 of 2022 - Procurement Regulations No. 15 of 2022 - Procurement Policies Paper- Feb 2021 - Others...

ii. Economic Aspects

Growth	GDP (CURRENT US\$) <table border="1"><thead><tr><th>Year</th><th>GDP (CURRENT US\$)</th></tr></thead><tbody><tr><td>2015</td><td>38587017887</td></tr><tr><td>2016</td><td>39892551127</td></tr><tr><td>2017</td><td>41608435915</td></tr><tr><td>2018</td><td>43370860704</td></tr><tr><td>2019</td><td>44503006338</td></tr><tr><td>2020</td><td>43700383099</td></tr><tr><td>2021</td><td>46296100141</td></tr><tr><td>2022</td><td>48764963380</td></tr><tr><td>2023</td><td>50967475352</td></tr></tbody></table> 2015 2016 2017 2018 2019 2020 2021 2022 2023 ● ** Rural population with access to all-season roads ● ↑ Population using the internet ● → Mobile broadband subscriptions ● ** Logistics Performance Index: Infrastructure Score ● ↑ The Times Higher Education Universities Ranking: Average score of top 3 universities ● ↑ Articles published in academic journals ● ** Expenditure on research and development The below ratings of key ly guaranteed d in imports n imports	Year	GDP (CURRENT US\$)	2015	38587017887	2016	39892551127	2017	41608435915	2018	43370860704	2019	44503006338	2020	43700383099	2021	46296100141	2022	48764963380	2023	50967475352
Year	GDP (CURRENT US\$)																				
2015	38587017887																				
2016	39892551127																				
2017	41608435915																				
2018	43370860704																				
2019	44503006338																				
2020	43700383099																				
2021	46296100141																				
2022	48764963380																				
2023	50967475352																				
Inflation	As per the CBJ, the real economic growth in 2024 has been 2.5%. As per World Bank data, inflation is dropping after a peak in 2022:																				

	inflation (consumer prices) Annual %  Figure 7 - Inflation - Jordan - World Bank Data As per the Central Bank of Jordan, the Inflation in Jan-Mar 2025 is 2.02%.	
Exchange Rate	The JOD currency is stable with fixed exchange rate to major other currencies.	
Imports	Import and Export Statistics (% of GDP)  Figure 8 - Export/Import statistics - Jordan - World Bank Data Legend: - High-technology exports (% of manufactured exports) TX.VAL.TECH.MF.ZS - Imports of goods and services (% of GDP) NE.IMP.GNFS.ZS - Exports of goods and services (% of GDP) NE.EXP.GNFS.ZS	
Development Assistance	As per the World Bank Development Indicators, Official Development Assistance over the years in Jordan is as follows:	



iii. Sustainability Aspects

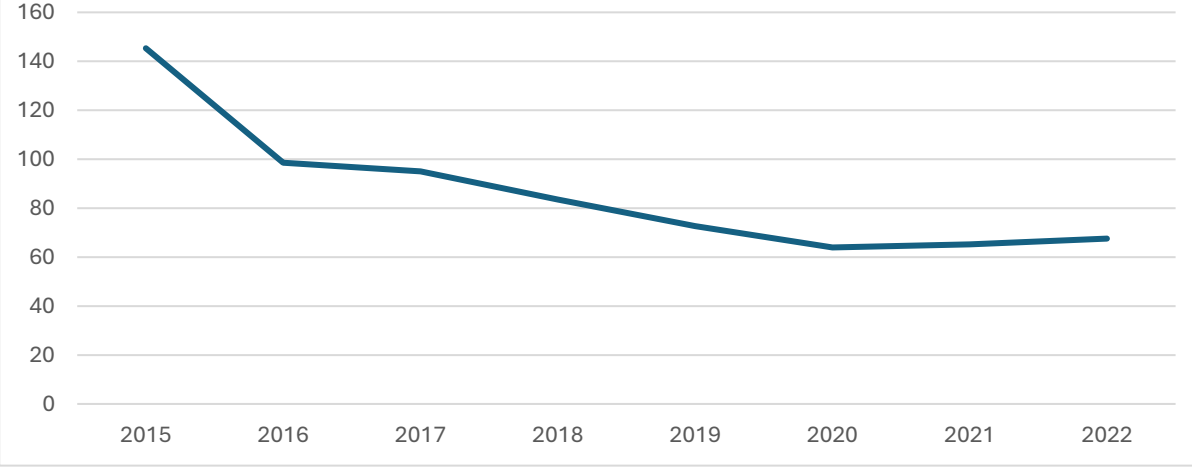
SDG Ratings	SDG 1: ● → Poverty headcount ratio at \$2.15/day SDG 2: ● ● Prevalence of undernourishment SDG 3: ● ↑ Maternal mortality ratio SDG 4: ● ● Participation rate in pre-primary organized learning SDG 5: ● → Demand for family planning satisfied by modern methods SDG 6: ● ↑ Population using at least basic drinking water services SDG 7: ● ↑ Population with access to electricity SDG 8: ● ● Adjusted GDP growth SDG 9: ● ● Rural population with access to all-season roads SDG 10: ● ● Gini coefficient SDG 11: ● ↗ Proportion of urban population living in slums SDG 12: ● ● Municipal solid waste SDG 13: ● ↑ CO₂ emissions from fossil fuel combustion and cement production SDG 14: ● ● Mean area that is protected in marine sites important to biodiversity SDG 15: ● → Mean area that is protected in terrestrial sites important to biodiversity SDG 16: ● ↑ Homicides SDG 17: ● ↓ Government spending on health and education			As per the
SDG Report (2024) ³³ , Jordan’s SDG Index rank is 85 out of 166 countries. The Index score is 69.1.				
Social Protection	SDGs 1 to 5 latest ratings are as follows:			

³³ <https://dashboards.sdgindex.org/profiles/jordan/indicators> accessed 28 April 2025.

	SDG 1: No poverty ● → Poverty headcount ratio at \$2.15/day ● → Poverty headcount ratio at \$3.65/day SDG 2: Zero hunger ● ● Prevalence of undernourishment ● ● Prevalence of wasting in children under 5 years of age ● → Cereal yield ● ● Prevalence of stunting in children under 5 years of age ● ↓ Prevalence of obesity, BMI ≥ 30 ● → Sustainable Nitrogen Management Index ● ↓ Human Trophic Level ● ● Exports of hazardous pesticides SDG 3: Good health and well-being ● ↑ Maternal mortality ratio ● ↓ Age-standardized death rate due to cardiovascular disease, cancer, diabetes, or chronic respiratory disease in adults aged 30 to 70 years ● ↑ Adolescent fertility rate ● ↑ Neonatal mortality rate ● ● Age-standardized death rate attributable to household air pollution and ambient air pollution ● ● Births attended by skilled health personnel ● ↑ Mortality rate, under-5 ● ↑ Traffic deaths ● ↓ Surviving infants who received 2 WHO-recommended vaccines ● ↑ Incidence of tuberculosis ● ↓ Life expectancy at birth ● ↓ Universal health coverage (UHC) index of service coverage ● ↑ New HIV infections ● ↓ Subjective well-being SDG 4: Quality education ● ● Participation rate in pre-primary organized learning ● ↓ Lower secondary completion rate ● ● Net primary enrollment rate ● ● Literacy rate SDG 5: Gender equality ● → Demand for family planning satisfied by modern methods ● → Ratio of female-to-male mean years of education received ● ↓ Ratio of female-to-male labor force participation rate ● → Seats held by women in national parliament
Education, Health & Vulnerable Groups	SDG 4: Quality education ● ● Participation rate in pre-primary organized learning ● ↓ Lower secondary completion rate ● ● Net primary enrollment rate ● ● Literacy rate
Local Practices & Standards	Jordan withdraws about 51.65% (2021) of its fresh water for the agricultural sector. The Agricultural exports are at 0.34% and imports 1.10% (as of 2023) as percent of merchandise exports/imports. Value-add of Agriculture, forestry and fishing is 4.81% of GDP (2023). Gross National Expenditure is 119.87% of GDP (2021).
Waste Management	SDG 12: Responsible consumption and production ● ● Municipal solid waste ● → Air pollution associated with imports ● ↑ Exports of plastic waste ● ● Electronic waste ● ↑ Production-based nitrogen emissions ● ↑ Production-based air pollution ● ↑ Nitrogen emissions associated with imports Jordan's performance in SDG 12 is noticeable:
Relevant Legislation	- Procurement Law No. 8 of 2022 - Procurement Regulations No. 15 of 2022 - Procurement Policies Paper- Feb 2021 - Guidelines on Negotiations for Goods, 2024 - Other guidance and decisions

iv. Technological Aspects

Internet	In 2023, 92.5% of population uses the internet (compared to 78.4% in 2020).

Digital divide	Mobile cellular subscriptions (per 100 people)  <table border="1"> <caption>Estimated data for Figure 11</caption> <thead> <tr> <th>Year</th> <th>Mobile cellular subscriptions (per 100 people)</th> </tr> </thead> <tbody> <tr><td>2015</td><td>145</td></tr> <tr><td>2016</td><td>100</td></tr> <tr><td>2017</td><td>95</td></tr> <tr><td>2018</td><td>85</td></tr> <tr><td>2019</td><td>75</td></tr> <tr><td>2020</td><td>65</td></tr> <tr><td>2021</td><td>65</td></tr> <tr><td>2022</td><td>68</td></tr> </tbody> </table> <i>Figure 11 - Cellular subscriptions - Jordan - World Bank Data</i>	Year	Mobile cellular subscriptions (per 100 people)	2015	145	2016	100	2017	95	2018	85	2019	75	2020	65	2021	65	2022	68
Year	Mobile cellular subscriptions (per 100 people)																		
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2016	100																		
2017	95																		
2018	85																		
2019	75																		
2020	65																		
2021	65																		
2022	68																		
Access to Information	Jordan has an Access to Information Law (No. 47 of 2007): Law on Guarantee of Access to Information. In March 2024, Jordan enacted significant amendments to the law to align it more closely with international standards concerning Proactive Disclosure (Public institutions are now required to proactively publish key information, reducing the need for formal requests), Expanded Access (The right to access information has been extended to non-Jordanian residents), Information Council Reform (The Information Council has been restructured to include representatives from civil society, the Journalists' Syndicate, and the Lawyers' Syndicate, enhancing oversight and inclusivity), and Reduced Response Time (The timeframe for public bodies to respond to information requests has been shortened from 30 to 15 days).																		

v. Key Conclusions of Operational Context analysis and IFAD-PRM Part A

Impact of Operational Context on Project Procurement	
Governance	The governance framework for project execution is strong and entrenched within the institutional setup of PP in Jordan. GTD and GPD are the central procuring entities for high-volume procurement, while the Procurement Policies Committee at the CoM handles regulation. Procurement authorities are well elaborated with a sophisticated structure involving multi-tier committees and authority levels. The highly-regulated procurement market comes at a contrast with the highly unregulated grants market. Grant management will be based solely on the design and PIM provisions in agreement with IFAD. This necessitates proper oversight and internal control.
Economic	Jordan enjoys a stable economy with noticeable growth and stable currency. However, attracting competition and motivating the consulting services' market remains the main challenge inherited from previous projects in Jordan.
Sustainability	The project has a noticeable sustainability impact as it addresses key challenges and developmental needs. Jordan has advanced with respect to E&S standards but the project will need to closely monitor SECAP compliance especially in grants.
Technological	The project will capitalize on e-payment platforms in Jordan as well as on the strong cellular network for the administration of grants and loans.

Summary of Key PRM Issues (Part A)	
	• The public procurement system is regulated through the National Regulation no. 8/2022 and to National Instructions relevant to Procurement process and procedures issued on the 16/02/2022 in which comprehensive rules and processes are enacted and the strengths areas are visible in terms of using competitive methods as the default method, detailed processes and procedures to follow, including Sustainability elements in the regulations. • However, some areas need to be improved to align with IFAD guidelines such as: the rules of advertisement, using the national E-procurement system for all procurement operations despite the thresholds; developing SBD and contracts in compliance to the international best practices. • The procurement system is decentralized under which each contracting entity is required to apply the procedures of the Public Procurement, the responsibilities and powers of procuring entities are defined in the Procurement Regulation in addition to specific thresholds. • However, procurements for goods and services exceeding JOD 60,000 are procured centrally in a dedicated central purchasing body. Every procuring entity shall prepare a procurement plan on yearly basis; the General Budget Law details the financial procedure and procurement cycle; Conflict of interest is covered by the national procurement regulation; the use of E-Procurement; the Ministry of Finance/Government Procurement Department regulate the necessity of training; the Procurement is recognized as a profession under the national Law.

b. IA Capability Assessment³⁴

i. Experience

Works	JEDCO is least experienced in works compared to goods, services and grants. Projects implemented by JEDCO do not normally include works. For REGEP-UP, there is a possibility that JEDCO procures works (rainwater harvesting, hydroponic systems, irrigation networks, etc.) on behalf of beneficiaries; in which case, the grants would be in-kind rather than in-cash. However, given the very small nature of the grants and the large number of beneficiaries, it is likely that the procurement will remain by the beneficiaries. Risks of centralized procurement (by JEDCO or JRF) include absence of diversity and fitness-for-purpose (due to standard designs or specifications), increased prices (contractors need to price guarantees and usually have higher overheads), and delays (one or a few contractors executing the centralized contract).
Goods	JEDCO and the Gov. Purchasing Dept. have long standing cooperation in line with the Jordanian Procurement Law. JEDCO handles all goods' procurement up to JOD 60,000 while GPD handles for higher value goods. Procurement by GPD is managed on JONEPS.
Services	Recruiting consulting firms is not very recurrent in Jordan. The previous project relied on a very few consulting firms whose recruitment was not smooth. However, the main services that are covered under the project are for implementing partners recruited using QCBS. For example, the previous attempts to procure technical assistance and software systems for MFIs and banks failed. New procurement approaches are needed.
Grants	JEDCO did not execute grants under REGEP on its own; instead, it was entrusted to an I.P. under the supervision of JEDCO. JRF is very well experienced with grants.

³⁴ If I.A. staff have not yet been nominated, the analysis can be based on Borrower organization and a PIU within the Borrower that will likely manage the procurement.

ii. Need for hands-on support

Works	N/A
Goods	JEDCO receives support, training, guidance (as needed) from GPD. JEDCO staff are well experienced with procurement of simple purchases.
Services	JEDCO might require IFAD support in TOR preparation for I.P.s
Grants	JEDCO might require IFAD support in developing the grant manual, grant packaging, and detailed CfP criteria. JEDCO might require support in developing a grant management governance and control mechanism.

iii. Contract management capability and capacity

Works	JEDCO has very limited experience in works. REGEP-UP also has limited works' procurement by I.A.s. Grantees may procure very simple works on their own. GTD has issued guidance on evaluating performance of engineering consultants and contractors. Works contracts and CM templates are more regulated compared to goods and services.
Goods	The goods planned to be procured are simple: vehicles, office equipment, IT, etc. GPD has issued guidance on evaluating performance of suppliers. This guidance as well as the guidance for contractors will be adopted by JEDCO.
Services	Although no major contractual issues were faced under previous REGEP service contracts, the planned I.P. contracts under REGEP-UP are expected to gain from previous lessons; this covers IP monitoring, payment, managing variations, etc.
Grants	JEDCO relies on I.P. for monitoring grant contracts; however, previous experiences highlight the need to enhance monitoring of grants. One option would be to segregate between grantee selection and award and grantee monitoring. This can be achieved by a new governance structure that can be tested for the initial batch of grants.

iv. Complaints management and dispute resolution systems

Presence of Law Systems	The Law provisions a two-tiered dispute resolution system; tier 1 is the resolution of complaints by the awarding committee; tier 2 is the appeal at the Central Appeals committee. The e-procurement platform (JONEPS) permits bidders to submit Tier-1 complaints online through the system: https://www.joneps.gov.jo/cm/manual/userManual.do?subMenuId=CM10218001
Effectiveness of Systems	From REGEP experiences, complaints were effectively resolved at tier 1 with no instances of recourse to tier 2. There is no publicly available data on tier-2 complaints/appeals resolution. The GPD provides overall statistics in its annual report; In 2023, a total of 185 complaints were submitted to the Tier-1 evaluation committee at GPD and 18 were submitted to the Tier 2 central appeals committee:

	عدد شكاوى الشراء للأعوام 2021-2023 <table><thead><tr><th>Category</th><th>2021</th><th>2022</th><th>2023</th></tr></thead><tbody><tr><td>الطلبات</td><td>24</td><td>19</td><td>17</td></tr><tr><td>خدمات استشارية</td><td>2</td><td>2</td><td>0</td></tr><tr><td>خدمات غير استشارية</td><td>3</td><td>3</td><td>1</td></tr><tr><td>المجموع</td><td>29</td><td>24</td><td>18</td></tr></tbody></table>	Category	2021	2022	2023	الطلبات	24	19	17	خدمات استشارية	2	2	0	خدمات غير استشارية	3	3	1	المجموع	29	24	18	Figure 12 - GPD - Annual Report 2023 - p.30
Category	2021	2022	2023																			
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المجموع	29	24	18																			
Independence of Systems	The central complaints committee is independent from the procuring entity; it reports to the council of ministers. This makes the committee within the same executive power of government.																					
Statistics (if available)	GPD website lists the conclusions of the central appeals committee for 9 cases.																					

v. Key Conclusions of I.A. Analysis and IFAD-PRM Part B

Strengths	Weaknesses
- JEDCO and other I.A.s are experienced in similar project scope under REGEP - JEDCO has an active internal control unit and has some flexibility in recruiting project staff	- Controlling grants is weak due to diluted responsibilities and weak governance - JEDCO, under REGEP, has limited experience in works and consulting services procurement; grants management was predominantly outsourced - JEDCO has no previous working experience in preparing/updating procurement strategies - JEDCO has limited previous experience in monitoring SECAP compliance (esp. for grants involving works)
Opportunities	Threats
- Jordan has strong central procurement/tenders' departments that are - The Law and regulations are relatively modern with diverse procurement methods - The e-procurement system is well functioning and trustworthy - The supreme audit bureau is very supportive and interested in engaging in the new project - The SUSTAIN2 and BUILDPROC offer good training opportunities for JEDCO and IA staff.	- The legal system permits negotiations in goods and services' procurement in a wide array of situations - The consulting services' market is not very development and competitive - Absence of modern national templates for consulting services procurement - Private sector auditors have demonstrated weaknesses (in quality, sampling, grant audits, etc.) - Grant schemes offer attractive opportunities for rent seekers that may be difficult to detect in absence of robust monitoring

Summary of Key PRM Issues (Part B)
• The Jordanian procurement system is relatively modern (2022) with modern methods, decentralized below the threshold, utilizing e-GP above the thresholds, and a complex institutional setup. Although there are attempts to modernize SPDs, they are still not complete with major weaknesses in consulting services. • The REGEP-UP does not introduce new procurement or complexities; it is a follow-up and scaling up of REGEP. Since the project is not complex and the activities are simple using simplified SBD and most of the activities are below the NS threshold; therefore, REGEP-UP does not require new procurement methodologies to be set in place. However, a new mechanism for grant management may be required to integrate lessons learnt from previous grant schemes under REGEP. • The project procurement contracts are non-complicated with no interdependency among activities; the majority of project budget is managed through grants or credit lines. • JEDCO is an experienced I.A. in overall management of IFAD projects, but there is no complex procurements or grants directly executed by JEDCO in the past; major procurements were for simple goods and some consulting services, the most complex of

which is the selection of I.P.s. Risks of delay persist as in previous projects due to a lax attitude or uncertainty in the first year of the project.

- Challenges persist with respect to control and supervision of grants, procurement and competitiveness in consulting services, effectiveness of audit functions, adoption and updating of PS, and integration of SECAP requirements in grants.
- JEDCO did not adopt IFAD templates for evaluation reports; committees usually rely on in-house ad-hoc prepared minutes of meeting representing the evaluation report.
- If JEDCO decides to recruit a new PO for REGEF-UP, onboarding, training and coaching will cause delays to the project.

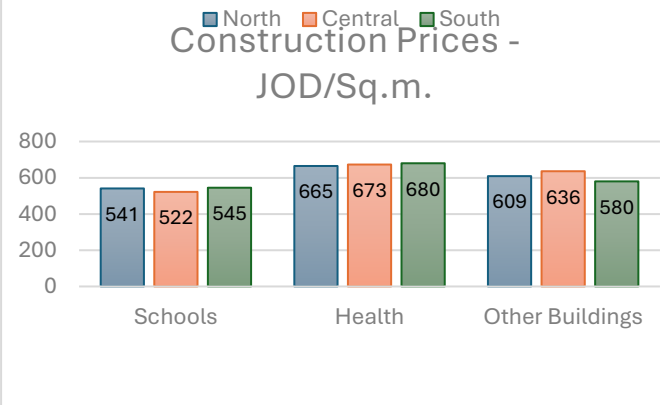
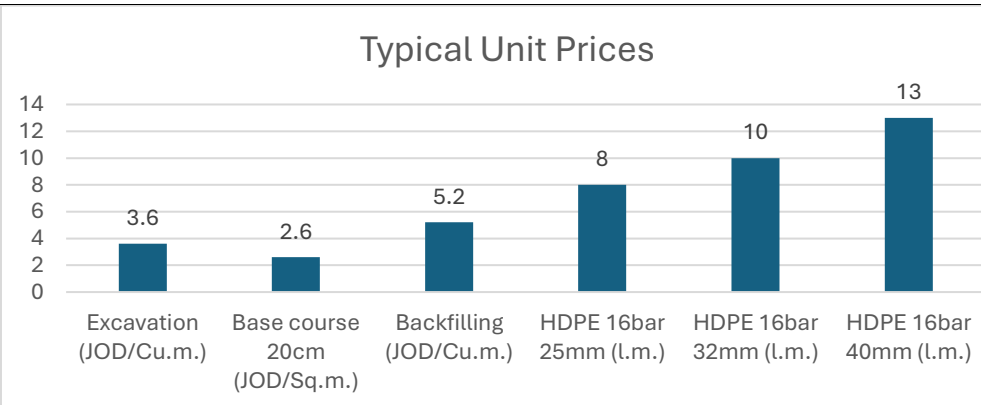
c. Market Analysis

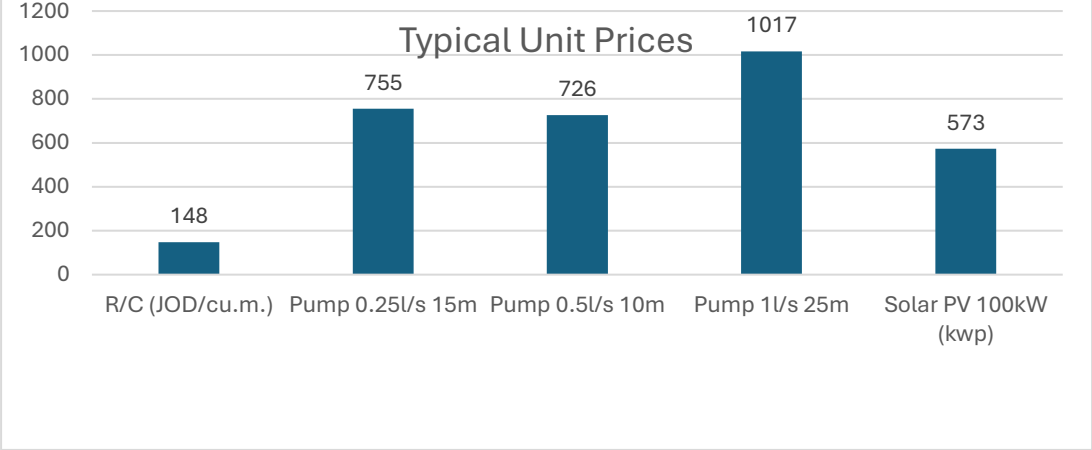
i. Market sector dynamics

Works	There are currently 24 contractors that have been subject to sanctions/suspension. The GTD has classified 3546 contractors in various sectors and categories. Works in excess of JOD 500,000 are tendered using NCB through GTD. The project does not expect to engage any large or even medium-scale contractors.																																																																									
Goods	<table><tr><th colspan="6">الجدول رقم (5): إحصائية طرق الشراء لعطاءات دائرة المشتريات الحكومية في عام 2023</th></tr><tr><th colspan="5">عدد العطاءات</th><th rowspan="2">اسم المجموعة</th></tr><tr><th>المجموع</th><th>عطاء على مرحلتين</th><th>مصدر واحد</th><th>مناقصة محدودة (استدراج)</th><th>مناقصة عامة</th></tr><tr><td>82</td><td>0</td><td>8</td><td>42</td><td>32</td><td>الأدوية والأمصال والمطاعيم</td></tr><tr><td>48</td><td>0</td><td>3</td><td>1</td><td>44</td><td>المستهلكات الطبية</td></tr><tr><td>38</td><td>0</td><td>4</td><td>0</td><td>34</td><td>الأجهزة والمعدات الطبية</td></tr><tr><td>69</td><td>2</td><td>13</td><td>6</td><td>48</td><td>التجهيزات الإلكترونية</td></tr><tr><td>56</td><td>0</td><td>1</td><td>8</td><td>47</td><td>التجهيزات الميكانيكية</td></tr><tr><td>168</td><td>3</td><td>2</td><td>6</td><td>156</td><td>التجهيزات المكتبية والعقود</td></tr><tr><td>461</td><td>5</td><td>31</td><td>63</td><td>361</td><td>العدد</td><td rowspan="2">المجموع الكلي</td></tr><tr><td>100%</td><td>1%</td><td>7%</td><td>14%</td><td>78%</td><td>النسبة المئوية</td></tr><tr><td>185</td><td>1008</td><td>39</td><td>1682</td><td>2053</td><td colspan="2">المجموع الكلي</td></tr></table> The GPD is the central procurement agency for goods and services (exceeding JOD 60,000). Its statistics for 2023 show the following data:	الجدول رقم (5): إحصائية طرق الشراء لعطاءات دائرة المشتريات الحكومية في عام 2023						عدد العطاءات					اسم المجموعة	المجموع	عطاء على مرحلتين	مصدر واحد	مناقصة محدودة (استدراج)	مناقصة عامة	82	0	8	42	32	الأدوية والأمصال والمطاعيم	48	0	3	1	44	المستهلكات الطبية	38	0	4	0	34	الأجهزة والمعدات الطبية	69	2	13	6	48	التجهيزات الإلكترونية	56	0	1	8	47	التجهيزات الميكانيكية	168	3	2	6	156	التجهيزات المكتبية والعقود	461	5	31	63	361	العدد	المجموع الكلي	100%	1%	7%	14%	78%	النسبة المئوية	185	1008	39	1682	2053	المجموع الكلي	
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Services	The numbers of consulting firms is relatively low as is evident from previous SIGHT and REGEF tenders. This is attributable to intrinsic (e.g. the TORs are vague and ambiguous) and extrinsic (e.g. the sector is not developed; the stronghold of NGOs in service provisioning in the development sectors) factors. Looking at classified consulting firms by GTD, the numbers are very low (56 numbers) compared for example to the number of classified contractors (3546):																																																																									

	<table><tr><th>العدد</th><th>المجال</th></tr><tr><td>29</td><td>التبنية</td></tr><tr><td>9</td><td>الطرق</td></tr><tr><td>14</td><td>المياه والصرف الصحي</td></tr><tr><td>1</td><td>الكهروميكانيك</td></tr><tr><td>9</td><td>الهندسة المتخصصة</td></tr><tr><td>13</td><td>البيئة</td></tr><tr><td>11</td><td>استطلاع الموقع</td></tr><tr><td>12</td><td>فحص المواد</td></tr></table>	العدد	المجال	29	التبنية	9	الطرق	14	المياه والصرف الصحي	1	الكهروميكانيك	9	الهندسة المتخصصة	13	البيئة	11	استطلاع الموقع	12	فحص المواد	Figure 15 - Government Tender Department, Annual Report, 2024, p. 141 There are currently 5 consulting firms that have been subject to sanctions/suspension.
العدد	المجال																			
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9	الطرق																			
14	المياه والصرف الصحي																			
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9	الهندسة المتخصصة																			
13	البيئة																			
11	استطلاع الموقع																			
12	فحص المواد																			
Grants	The grants' customer base is very wide for W1 (farmers and small-holders) while for W2 targeting micro and SME's the customer base is much narrower. The I.P. managing W2 grants will need to survey and analyse the sector and the market to identify potential beneficiaries.																			

ii. Financial

Works	 Prices for construction works awarded (buildings) range as follows: <i>Figure 16 - construction unit pricing by zone (source GTD 2024 Annual Report)</i> Grant beneficiaries engaged in construction works will need to receive support and guidance by the I.P. to ensure value for money and price realism.	
Goods	 Some unit prices reported by GTD (average across the three regions) in its 2024 annual report are as follows: <i>Figure 17 - Some unit rates reported by GTD - 2024</i>	

	 Figure 18 - Some unit rates reported by GPD - 2024 (continued)
Services	The services' market is much more ambiguous and predictable compared to goods and works. For example, audits can range from 3,000 to 10,000 JOD or even more. Daily rates will vary for experts from 50 JOD per day to 400 JOD per day. Pricing consulting services remains a high risk area that requires thorough preparation and analysis by JEDCO. Budgetary figures are inserted in the costab based on available funds, previous experience, and some other benchmarks. However, when JEDCO designs a TOR, it should prepare a commensurate and detailed cost estimate to verify the budget and ensure it can assess financial proposals on clear and knowledgeable grounds.
Grants	Grants will be launched with a ceiling/cap per project.

iii. Procurement trends³⁵

³⁵ How were similar procurements managed elsewhere or previously; key terms and conditions; how to maximize VfM; lessons learned from previous experiences in the country; etc.

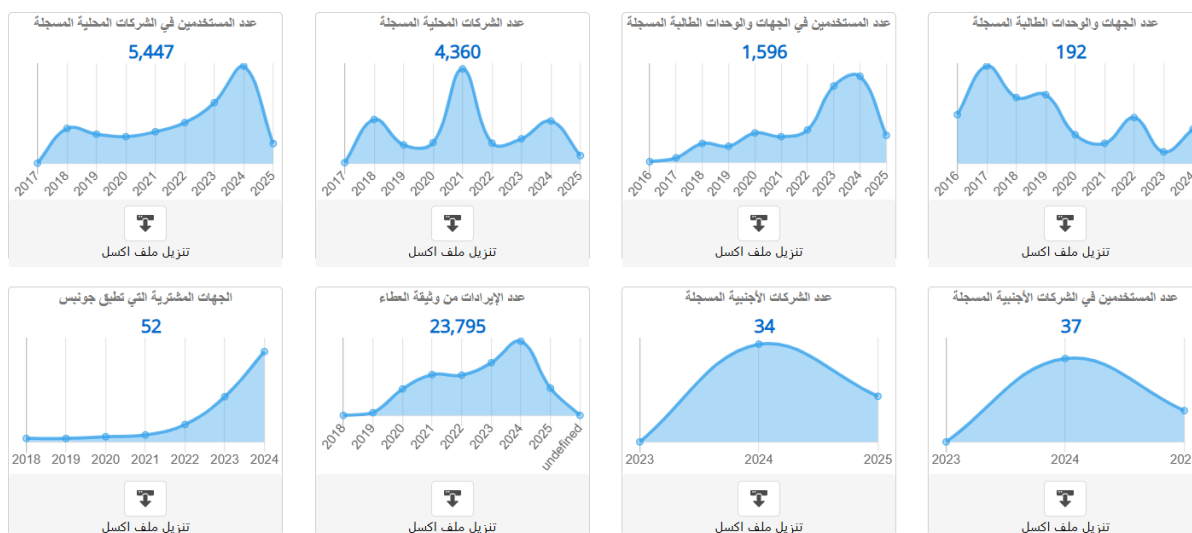
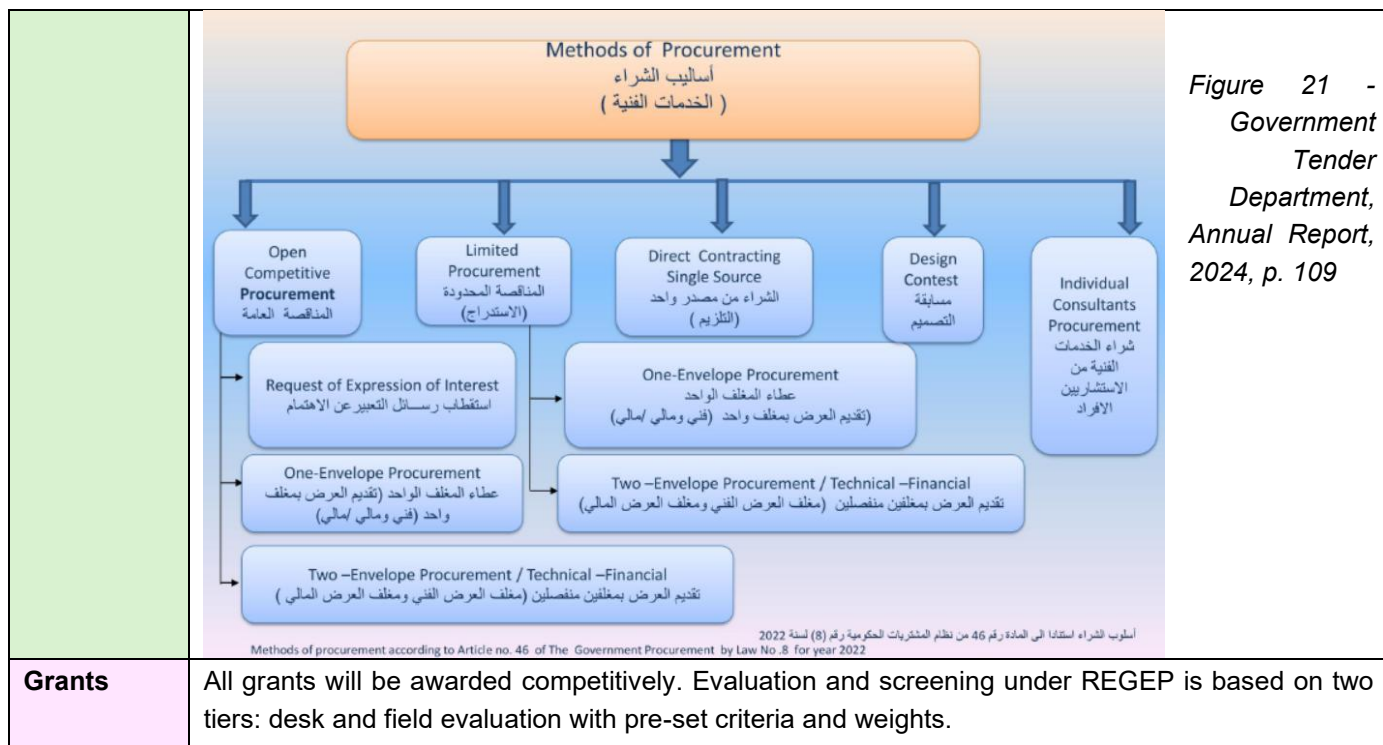


Figure 19 - JONEPS Statistics as of 30 April 2025

Works	Methods of procurement according to Article no. 21 of The Government Procurement by Law No.8 for year 2022	Although works' procurement is not envisaged in the project, below is the list of methods as per Jordanian law: Figure 20 - Government Tender Department, Annual Report, 2024, p. 108
Goods	The procurement methods for goods is the same as for works (see above). For ICB, JEDCO and other PIUs will be using the IFAD procedure and template.	
Services	Below is the list of methods for services as per Jordanian law; however, for the project, consulting services will be procured using IFAD templates and rules.	



iv. Key Conclusions of Market Analysis relevant to this contract

Supply Positioning: The below plot shows the major contracts identified above classified into one of four categories based on their estimates cost and their associated risks (in each block, you can see the contract numbers that fit into that block):

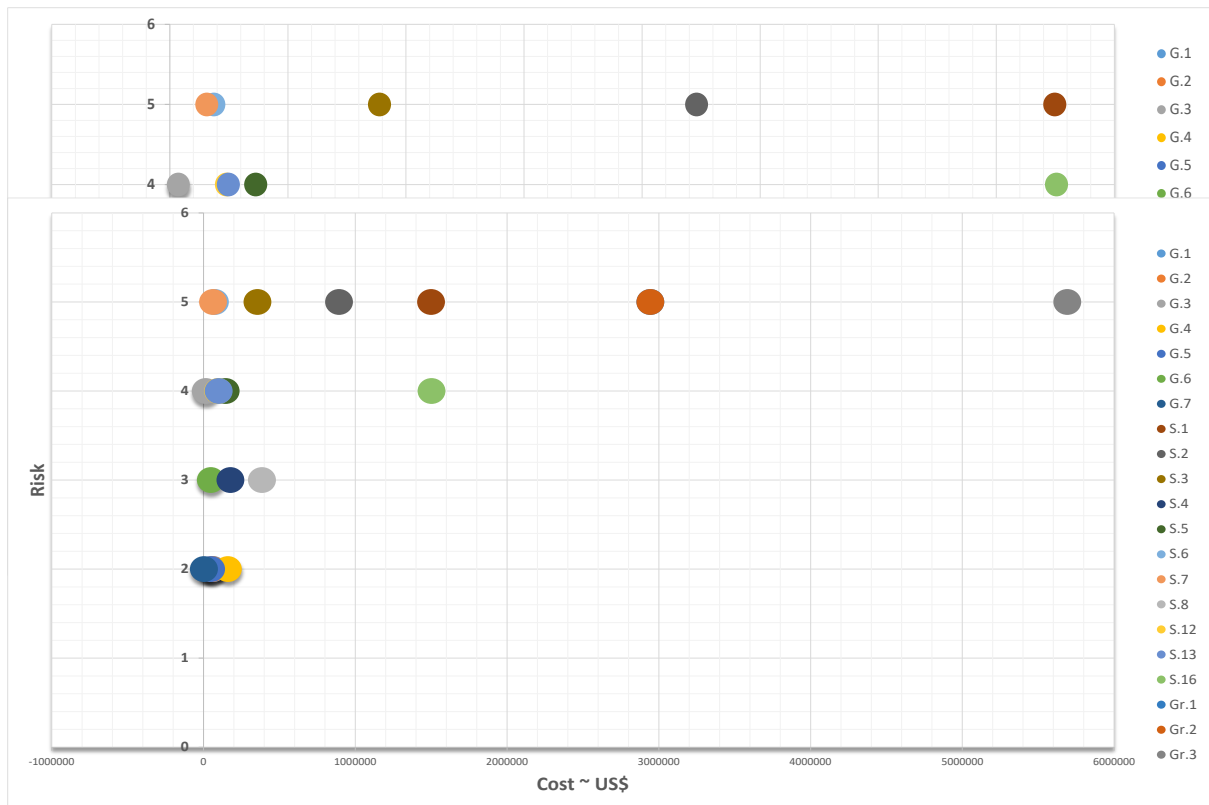


Figure 22 - Supply Positioning Plot (excluding Grant Schemes)

Figure 23 - Supply Positioning including 3 grant schemes

RISK è	Bottleneck S.2, S.3, S.6, S.7	Strategic Gr.1, Gr.2, Gr.3 S.1, S.16
	Non-Critical All procurement Activities other	Leverage
	COST è	

Figure 24 - Summary Supply Positioning Matrix

Supplier Preferencing: The below plot categorises potential bidders in key contracts based on how attractive those key contracts are to them and the expected revenue they are expecting to generate (in each block, you can see the key vendors that fit into that block):

Figure 25 - High-Matrix

ATTRACTIVENESS	DEVELOP Consulting Firms Audit Firms IT Equip. Suppliers	CORE W1 Grantees W2 Grantees I.P.
	NUISANCE Academic Inst. Survey Firms	HARVEST
	Revenue	

level Preferencing

4. Procurement Risk Analysis

Risk Description	A	B	Overall Risk Score (A*B)	Description of proposed mitigation through the procurement process	Risk Owner	Procurement Process Stage	Impact on which Contract(s)
	Likelihood Rating	Impact Rating					
PRE-CONTRACT PROCUREMENT RISKS							
1. Delays in concluding MoUs/MoAs and onboarding key partners	0.8	0.5	0.4	- Draft MoU/MoA templates should be prepared by JEDCO and discussed with respective partners in advance, learning from REGEP lessons. - In project start-up workshop, JEDCO should present such MoUs/MoAs.	JEDCO	Planning	All, especially Grants and Credits
2. Delays in launching key technical assistance or I.P. contracts of year 1	0.9	0.6	0.54	- JEDCO shall develop a project implementation governance chart and highlight activities to be outsourced to I.P.s and T.A.s - JEDCO should be ready to present such chart with respective Preliminary TORs at the Start-up workshop.	JEDCO	Planning	All, especially Grants
3. Delays in recruiting key project staff	0.6	0.6	0.36	- Existing REGEP staff shall continue to exercise the respective functions for REGEP-UP until new recruits are onboard	JEDCO	All	All
4. Challenges in preparing TORs/RFPs for key activities	0.8	0.7	0.56	- JEDCO shall solicit IFAD support for any critical TOR	JEDCO	Preparation	Service contracts

Risk Description	A	B	Overall Risk Score (A*B)	Description of proposed mitigation through the procurement process	Risk Owner	Procurement Process Stage	Impact on which Contract(s)
	Likelihood Rating	Impact Rating					
(I.P.s, baseline, etc.)				- IFAD will share standard TORs for audit, baseline, etc.			
5. PIU facing difficulty adopting/updating Proc. strategy	0.4	0.9	0.36	- Startup workshop shall include a dedicated day on PS contents and update - SM and ISM shall include coaching on PS update	JEDCO IFAD	Planning	All
6. Use of wrong evaluation report templates continues	0.9	0.2	0.18	- Since the PIM clearly specifies the templates to be used, IFAD will not issue N.O. for evaluations using wrong templates.	IFAD	Evaluation	All
7. Failure to attract consulting firms to compete	0.9	0.9	0.81	- As proposed in the Strategy and PIM, JEDCO shall engage early market engagement activities once the project is nearing startup. The aim is to inform, motivate and listen to consulting firms, NGOS, Universities, research centers, etc. - The PS shall be updated with EME findings.	JEDCO	Planning	All Services

CONTRACTUAL PROCUREMENT RISKS

Risk Description	A	B	Overall Risk Score (A*B)	Description of proposed mitigation through the procurement process	Risk Owner	Procurement Process Stage	Impact on which Contract(s)
	Likelihood Rating	Impact Rating					
8. Audit challenges with respect to grant contracts (unable to reach beneficiaries)	0.7	0.8	0.56	- JEDCO shall try to engage the supreme audit bureau for grant audits - auditors shall coordinate in advance with I.P. and shall flag all instances of inability to reach beneficiaries -JEDCO shall prepare a detailed report on all such beneficiaries based on on-site investigation. Report shall be shared with IFAD; all instances of mismanagement shall be cause for termination an recovery of funds.	JEDCO I.P. (grants)	Contract Management	All Grants
9. Managing complex implementing partner contracts is challenging	0.4	0.8	0.32	- JEDCO shall prepare a CM plan for all major contracts including those for I.P.s	JEDCO	Contract Management	All major service contracts
10. Poor control of grant contract execution and sustainability	0.9	0.9	0.81	- JEDCO shall adopt a grant scheme governance model (subject to IFAD N.O.) and in line with proposals in the PIM. This model shall ensure effectiveness and absence of bias in grant monitoring.	JEDCO	Contract Management	All Grants
11. Legal liability due to disputes, damage, injury,	0.1	0.9	0.09	- The I.P. in charge of grant management (up to signature) shall flag risks related to	JEDCO	Contract Management	All Grants

Risk Description	A	B	Overall Risk Score (A*B)	Description of proposed mitigation through the procurement process	Risk Owner	Procurement Process Stage	Impact on which Contract(s)
	Likelihood Rating	Impact Rating					
etc. in implementing grants				the legal liabilities and propose mitigation measures. - The I.P. in charge of grant contract execution shall adopt minimum quality standards and ensure that these are complied with by all beneficiaries. The I.P. shall supervise and monitor procurement by grant beneficiaries.	I.P.s		
SECAP ISSUES							
12. Procurement documents do not account for SECAP requirements	0.3	0.8	0.24	- JEDCO shall adopt standard text in all procurement/grant documents - IFAD shall stress on this at start-up and in every mission.	JEDCO	Preparation	All
13. SECAP breaches in unsupervised grant execution	0.6	0.9	0.54	- The I.P. in charge of grant contract execution shall adopt minimum SECAP standards and ensure that these are complied with by all beneficiaries. The I.P. shall use the monitoring checklist provided in the PIM.	I.P. Grant Monitoring	Contract Management	All Grants

PROBABILITY	1										
	0.9		6				2			7,10	
	0.8					1		4			
	0.7								8		
	0.6						3			13	
	0.5										
	0.4								9	5	
	0.3								12		
	0.2										
	0.1									11	
		0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1
		IMPACT									

Figure 26 - Procurement Strategy Risk Plot

5. Procurement Objectives (related to the 5 Rs)

- i. Timely execution of annual plans on schedule and within budget with minimal but justified cost-overruns.
- ii. Timely award of grant contracts that are suitably planned to maximize participation, outreach, targets and project goals.
- iii. Sustainable provision of goods and works that are of a fit-for-purpose quality and supported by enforceable and effective warranty.
- iv. Procurement and grant management contribute to the timely and effective attainment of project targets and output/outcome indicators.
- v. PIU staff have requisite competencies to manage procurement and grants with no mis-procurement, mismanagement, or breach.

6. Recommended Procurement Approach for the Major Contracts in the Project

Since no works and no major goods are provisioned under REGEP-UP, the below approach design is prepared for the major consulting services contract (S.1) and the first grant scheme (Gr.1):

Contract (or category)	S.1 Implementing Partner for Capacity Building and Grant Management – Window 1	
Estimated Cost	US\$ 1.4991 million	
Attribute	Selected arrangement	Justification Summary/Logic
Specifications	Hybrid	The TOR will elaborate minimum compliance standards and criteria to be met by the I.P. but will also allow room for creative/innovative methodology for capacity building, targeting, awareness, support, grant management, etc.
Sustainability Requirements (SECAP compliance)	Yes	Shortlisting criteria will have preferential points for having monitored SECAP or similar in previous contracts. The Evaluation criteria will include scoring methodology for evaluating SECAP compliance in grant applications.
Contract Type	A. Design and Build	The services will be designed primarily by the I.P. under monitoring and control by JEDCO.
Pricing and costing mechanism	A. Schedule of Rates / Admeasurement	Previous experiences with I.P. contracted on lumpsum basis contained some ambiguities with respect to pricing and accounting of activity costs. Furthermore, the TOR activities cannot be described in sufficient detail to allow lumpsum pricing.
Supplier Relationship	A. Collaborative	Collaborative relationships are expected based on previous experiences in REGEP and SIGHT.
Price Adjustments	A. None, fixed price	Although the duration is long, the price components are not volatile.
Form of Contract (Terms and Conditions)	B. State any special conditions of contract	- Commencement: upon contract signature - Implementation period: clearly stated in contract to cover the full duration for selection of grant beneficiaries under W1 - Currency: Any currency easily convertible in Jordan - Payment: 10% advance against bank guarantee; 80% of 2-monthly timesheets and expenses; 10% of contract price upon completion and approval of final report.

		- Performance targets: payments will not be effected unless the granting targets have been achieved for the respective reporting period. - Price Adjustment: not applicable. - Dispute Resolution: amicable followed by arbitration (local if local I.P., and international with foreign I.P.)
Selection Method	A. Request for Proposals (RFP)	RFP for Consulting Services (standard IFAD template)
Selection Arrangement		None
Market Approach	A. Type of Competition 1. Open 2. International B. Number of Envelopes/Stages 1. Two Envelopes 2. Single Stage B. Negotiations (No)	IFAD standard procedure and templates for QCBS will be followed as per PAL and PIM.
Pre / Post Qualification	A. Pre-Qualification	A shortlist of 3-6 entities will be formed after an pen REOI.
Evaluation Selection Method	A. Quality Cost Based Selection (QCBS)	Based on PAL thresholds, this critical activity will be awarded on 70/30 basis QCBS.
Evaluation of Costs	A. Life-Cycle Costs	LCC is irrelevant in this case.
Domestic Preference	No	Preference for UNGC membership will be included (5 merit points).
Rated Criteria	List the type of criteria to be used (mandatory/desired)	- Extent of previous successful similar experiences: 10% - Methodology, Staffing and Approach: 30%

		- Approach to SECAP in capacity building and grant management: 5% - Time-plan and schedule: 10% - Project Manager/Team Leader: 15% - Key Expert 2: 10% - Key Expert 3: 10% - Key Expert 4: 5% - UNGC membership: 5%

Contract (or category)	Gr.1 Grant Window 1 for Small-Holder Farmers (Water efficiency for small scale production)	
Estimated Cost	Year 1.5 target is US\$ 276,850 out of US\$ 2,943,700	
Attribute	Selected arrangement	Justification Summary/Logic
Specifications	N/A	There will be no specifications; instead, the CfP will elaborate the mandatory eligibility criteria; eligible projects; eligible interventions; ineligible expenses, etc.
Sustainability Requirements (SECAP compliance)	Yes	The CfP will elaborate the minimum SECAP standards and will assign a score for SECAP compliance in evaluation based on the impact of the proposed grant and the approach of the grantee to mitigate the negative impacts.
Contract Type	B. Other: Grant Agreement	
Pricing and costing mechanism	B. Lump Sum	The grant agreement will be on a lumpsum for the grant project and payment will be made in instalments. However, this lumpsum is a ceiling and may be revised based on actual expenditure.
Supplier Relationship	B. Collaborative	Previous grant schemes witnessed collaborative relations.
Price Adjustments	C. None, fixed price	Grant contracts are short in duration and do not normally witness price volatility; such risks are borne by grantee.
Form of Contract (Terms and Conditions)	D. State any special conditions of contract	- Payment shall be made in instalments (2-3): - o advances should not exceed 30% payable against tangible measures taken by the grantee. - o Second instalment (60%) is payable upon verification of successful execution and documentary evidence - o Third instalment (10%) payable three months after completion to verify sustainability. - Damages for breach should be clearly stated and enforced. They should not normally exceed 5% of grant amount - Duration shall be clearly specified with procedures for requesting and approving extensions.

		- Termination for default shall automatically trigger the application of damages as well as recovery of full amount.
Selection Method	Call for Proposals (CFP)	Special Call for Proposals; IFAD proposed template may be used.
Selection Arrangement		N/A
Market Approach	C. Type of Competition 3. Open 4. National D. Number of Envelopes/Stages 3. Single Envelope 4. Single Stage C. Negotiations (No)	The procedure for competitive grants shall be followed: - Publicity followed by/accompanied with large scale campaign and sensitization - Call for Proposals widely disseminated - Support to applicants (open, transparent, and fair) - Application submission by the deadline - Opening, screening and desk review/scoring - Field visit and scoring - Concluding evaluation report with draft grant agreement - NOITA - Management of complaints and debrief requests - Award and signature
Pre / Post Qualification	B. Post-Qualification	Eligibility criteria will be verified for awarded applicants after evaluation and before award.
Evaluation Selection Method		N/A
Evaluation of Costs	B.	N/A
Domestic Preference	No	N/A

Rated Criteria	List the type of criteria to be used (desired)	Criteria shall include relevance, impact, value-for-money, etc. as well as scores for region, type of project, SECAP compliance, etc.

Annex 10 to Procurement PIM – Preference for bidders participating in the United Nations Global Compact (UNGC)

I. Background

IFAD's aim and mandate is to bring about sustainable development outcomes which is in line with the ambition of the United Nations Global Compact (UNGC). UNGC is a multi-stakeholder leadership initiative that seeks to align business operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. Recently, IFAD has been using procurement strategically to expand the impact of its projects. In this context, the commitment to the UNGC offers a policy framework for organizing and developing corporate sustainability strategies while offering a platform to encourage innovative initiatives and partnerships with civil society, Governments and other stakeholders.^[1] The inclusion of the UNGC participation into the IFAD project procurement as a margin of preference in the selection in the bidding process enhances the sustainability of the IFAD-funded projects, in line with the commitment to underpin the challenges in achieving the Sustainable Development Goals (SDGs). Also, the bidder benefits from the membership participation as the UNGC provides with networking access with UNGC participants – representing nearly every industry sector and size throughout the globe and it gives access to partnerships with a range of stakeholders – to share best practices and emerging solutions. Moreover, it furnishes guidance, tools, resources and trainings supported by local networks and the United Nations.

II. What is the United Nations Global Compact (UNGC)

With more than 16,000 corporate signatories in over 145 countries, the UNGC^[2] is the world's largest voluntary corporate responsibility initiative. It does not police or enforce the behaviour or actions of companies. Rather, the UNGC aims to accelerate and scale the global collective impact of business by upholding the Ten Principles^[3] and delivering the SDGs^[4] through accountable companies and ecosystems that enable change. To make this happen, the UNGC supports companies to:

1. Do business responsibly by aligning their strategies and operations with the Ten Principles^[5] on human rights, labour, environment and anti-corruption; and
2. Take strategic actions to advance broader societal goals^[6], such as the UN SDGs, with an emphasis on collaboration and innovation.

As a voluntary initiative, the United Nations Global Compact seeks wide participation from a diverse group of businesses. As a participant at the UNGC, a business entity:

- Sets in motion changes to business operations so that the UNGC and its Ten Principles become part of strategy, culture and day-to-day operations;
- Is expected to publicly advocate the UN Global Compact and its ten principles via communications vehicles such as press releases, speeches, etc; and
- Is required to communicate with their stakeholders on an annual basis about progress in:
 - a) Implementing the Ten Principles, and
 - b) Efforts to support societal priorities.

III. Preference for the participation in the UNGC

The borrower/recipient may apply a margin of preference based on the bidder's UNGC participation when conducting national and international competitive bidding procurement for goods, works and consulting services. Such conditions of preference may be applied in the evaluation of bids as follows:

- For Goods and Works procured under National and International Competitive Bidding, the preference is 5 per cent, added to the price offered by the bidder who is not a UNGC member, for evaluation purposes only.
- For Consulting Services procured under Quality and Cost Based Selection: Participation at the UNGC can be included as a technical criterion of no more than 5/100 points.

The bidder should demonstrate the Entity's Participation in the United Nations Global Compact (UNGC) using the Bid / Proposal Form provided at the end of this document. This form must include the bidders the Letter of Commitment to the UNGC signed by the company's Chief Executive Officer and the latest Communication on Progress (CoP) in case it is available. The evaluation committee can identify the bidder as a participant at the UNGC by verifying the list of UNGC participants, which is publicly available on the official website^[7]. In case the bidder applied shortly before the bidding period and the name of the entity does not appear in the list on the official website of the UNGC, the Letter of Commitment to the UNGC signed by the company's Chief Executive Office will be regarded as sufficient proof of participation.^[8]

During the evaluation process, the evaluation committee will request the UNGC to confirm the effective participation to the UNGC of each bidder eligible to benefit from the margin of preference and will apply said margin only upon receiving written confirmation from the UNGC itself. The evaluation committee will reflect the application of the margin of preference to each bidder in the signed evaluation report.

IV. Inserting the preference for UNGC participation in bidding documents

For Goods and Works procured under National and International Competitive Bidding, the Request for Bids should include a specific preference clause for the participation to the UNGC as follows:

- If the bidding document does not already allow the inclusion of merit-point scores, the following clause must be included in the Instructions to Bidders:

x. Preference for the participation of the UNGC	x. The borrower/recipient may apply a margin of preference based on the bidder's participation in the UN Global Compact (UNGC) as specified in the Bid Data Sheet.

^[1] For further information, consult the UNGC official website: <https://unglobalcompact.org/about/faq>

^[2] For further information, consult the UNGC official website: <https://unglobalcompact.org/>

^[3] The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption. More information is available on the UNGC official website at the following link: <https://unglobalcompact.org/what-is-gc/mission/principles>

^[4] For further information, consult the official UNGC website: <https://unglobalcompact.org/sdgs/about>

^[5] The Ten Principles of the UN Global Compact embrace human rights, labour, environment and anti-corruption. For further information, consult the UNGC official website: <https://unglobalcompact.org/what-is-gc/mission/principles>

^[6] For further information, consult the UNGC official website: <https://unglobalcompact.org/what-is-gc/our-work/sustainable-development>

^[7] For further information, consult the UNGC official website: <https://unglobalcompact.org/what-is-gc/participants>

^[8] The website contains also the Online Application Guidelines - Business Applicants -, which provides with more details about the application procedure. For further information, consult the UNGC official website: <https://unglobalcompact.org/participation/join/application/business>

Annex 11: Procurement Arrangements - Preamble to the Procurement Plan

Country (Full Name): The Hashemite Kingdom of Jordan

IFAD Financing (Loan and/or Grant Number(s)): -----

Project (Full Name of Project): Rural Economic Growth & Employment Programme, Upscaling (REGEPU)

Excellency,³⁶

1. I refer to the Financing Agreement between The Hashemite Kingdom of Jordan ("Borrower/Recipient") and the International Fund for Agricultural Development (IFAD), dated [insert date of FA] ("Agreement"). The Agreement [entered into force as of that date]/[will enter into force when IFAD receives an instrument of ratification].
2. The instructions contained in these Project Procurement Arrangements govern the execution of project procurement operations with respect to the acquisition of goods, works and services under the Agreement. These arrangements replace and supersede any procurement guidance that has previously been issued to the project. In case these instructions conflict with those of the IFAD Project Procurement Handbook, the instruction of these Procurement Arrangements shall prevail.
3. Capitalised terms defined in the Financing Agreement and General Conditions shall have the same meaning in these Arrangements unless expressly defined otherwise in this document.
4. Section 7.05 of the General Conditions provides that the procurement of goods, works and services shall be carried out in accordance with the provisions of the **borrower/recipient's procurement regulations, to the extent such are consistent with the IFAD Project Procurement Guidelines, as amended from time to time**³⁷. Each Annual Work Plans and Budget must contain a Procurement Plan, which shall identify the procedures that must be implemented by the borrower/recipient in order to ensure consistency with the IFAD Project Procurement Guidelines. International Competitive Procurement as well as Consulting Services' procurement shall follow IFAD rules and templates. Other procurement methods shall follow national rules as long as they are adapted in line with the detailed gap analysis in the Project Implementation Manual.
5. The IFAD Simplified Project Procurement Procedures for Fragile and Conflict Affected Situations guidelines shall not apply to this project.
6. Each Annual Work Plan and Budget must contain a Procurement Plan, which shall identify the procedures that must be implemented by the borrower/recipient in order to ensure consistency with the IFAD Project Procurement Guidelines. The following procurement methods³⁸ shall be used³⁹ for:

³⁶ His/Her Excellency (or The Honourable, depending on the country). The letter should be sent to the Authorized Representative of the Borrower/Recipient indicated in Section E of the Financing Agreement, at the address specified in the agreement: [Name], Minister for ----- of [Full name of the country].

³⁷ Any reference to IFAD Project Procurement Guidelines also includes the IFAD Procurement Handbook. Ensuring that applicable procurement rules are consistent with IFAD's Project Procurement Guidelines is mandatory; the Handbook is used as a guidance document for the borrower/recipient. The regulations set out in these Procurement Arrangements supersede the Handbook in case of conflict. For both the Guidelines and the Handbook, the latest version shall always apply.

³⁸ In case National Procurement Regulations apply and as far as these do not contradict with IFAD's Project Procurement Guidelines, the equivalent terminology for procurement methods may be used; for example, ICB is the method for a publicly advertised competition at the international level. The Project Implementation Manual (PIM) will map the procurement methods that should be applied in accordance with these Arrangements.

³⁹ To know the applicable procurement method, the cost estimate shall be for the entire procurement activity whether it is divided into lots or not; in case of lots, the sum of the cost estimates of all lots shall be used for identifying the applicable procurement method for the procurement activity.

- a. Works and works-related Non-Consulting Services:
 - (i) International Competitive Bidding (ICB): This procurement method applies to contracts estimated to cost US\$ 1,000,000 or more. Under ICB, the borrower/recipient may apply a margin of domestic preference to local contractors of 7.5% excluding industrial plants;
 - (ii) National Competitive Bidding (NCB): might be applied to contracts estimated to cost less than US\$ 1,000,000. A waiver for the use of this method beyond this threshold can be requested for individual activities with proper justification;
 - (iii) Shopping: might be applied to contracts estimated to cost US\$ 250,000 or less. A waiver for the use of this method beyond this threshold can be requested for individual activities with proper justification; and
 - (iv) Direct Contracting: applies to the indicated contracts in the Procurement Plan with due justification (as mentioned in the Handbook) subject to IFAD's NO under prior review⁴⁰ or alternatively without prior IFAD's NO for low-value unforeseen purchases with estimated cost per each purchase of US\$ 2,000 or less up to an aggregate amount of US\$ 10,000 per annum.

- b. Goods and Goods-related Non-Consulting Services
 - (i) International Competitive Bidding (ICB): This procurement method applies to contracts estimated to cost US\$ 200,000 or more. Under ICB, the borrower/recipient may apply a margin of domestic preference of 15% OR may not apply domestic preference;
 - (ii) National Competitive Bidding (NCB): might be applied to contracts estimated to cost less than US\$ 200,000. A waiver for the use of this method beyond this threshold can be requested for individual activities with proper justification;
 - (iii) Shopping: might be applied to contracts estimated to cost US\$ 100,000 or less. A waiver for the use of this method beyond this threshold can be requested for individual activities with proper justification; and
 - (iv) Direct Contracting: applies to the indicated contracts in the Procurement Plan with due justification (as mentioned in the Handbook) subject to IFAD NO under prior review⁴¹ or alternatively without prior IFAD's NO for low-value unforeseen purchases with estimated cost of US\$ 1,000 or less per purchase up to an aggregate amount of US\$ 10,000 per annum.

- c. Consulting Services and related Non-Consulting Services
 - (i) Quality and Cost Based Selection (QCBS): This selection method is the default for contracts with firms estimated to cost US\$ 150,000 or more; International Advertisement is mandatory for consultancy contracts estimated to cost US\$ 100,000 or more, regardless of the selection method;

⁴⁰ A sufficiently detailed justification shall be submitted to IFAD to obtain its NO and shall include the rationale for the choice of direct contracting instead of competitive procurement and the basis for recommending a particular contractor/service provider in all such cases. Direct contracting could be justified under any of the circumstances listed in section 6, Module F1: Procurement Methods for Goods, Works and Non-consulting Services of the IFAD Procurement Handbook.

⁴¹ A sufficiently detailed justification shall be submitted to IFAD to obtain its NO and shall include the rationale for the choice of direct contracting instead of competitive procurement and the basis for recommending a particular supplier/service provider in all such cases. Direct contracting could be justified under any of the circumstances listed in section 6, Module F1: Procurement Methods for Goods, Works and Non-consulting Services of the IFAD Procurement Handbook.

- (ii) Quality Based Selection (QBS): might be applied to contracts of any value if a proper justification is provided;
- (iii) Fixed Budget Selection (FBS), or Least Cost Selection (LCS)⁴²: might be applied to contracts with firms estimated to cost less than US\$ 150,000. A waiver for the use of this method beyond this threshold can be requested for individual activities with proper justification;
- (iv) Consultants Qualification Selection (CQS): might be applied to contracts with firms estimated to cost US\$ 70,000 or less. A waiver for the use of this method beyond this threshold can be requested for individual activities with proper justification;
- (v) Individual Consultants Selection (ICS): applies to contracts with individuals regardless of the value;
- (vi) Shortlisting following a Request for Expression of Interest is mandatory for all CQS and ICS procedures. In addition, Shortlisting is mandatory for all consulting services contracts estimated to cost US\$ 80,000 or more;
- (vii) Sole/Single Source Selection (SSS): applies to contracts with firms designated under SSS in the Procurement Plan with due justification (as mentioned in the Handbook) subject to prior review⁴³ and/or contracts estimated to cost US\$ 1,000 or less, up to an aggregate amount of US\$ 10,000 per annum; and
- (viii) Sole/Single Source Selection (SSS): applies to contracts with individuals designated under SSS in the Procurement Plan with due justification (as mentioned in the Handbook) subject to prior review⁴⁴ and/or estimated to cost US\$ 500 or less and with a contract duration of three months or less and up to an aggregate amount of US\$ 5,000 per annum;.

d. Other Procurement Methods or Arrangements:

- (i) The use of Force Account is not allowed.
- (ii) Extensions of contracts funded by IFAD for Goods, Works or related Non-Consulting Services to cover items of similar nature not listed in the original contract may not exceed 10% of the contract value and require IFAD's No Objection (such extension shall be considered as Direct Contracting). However, extensions of existing contracts, issued in order to increase/decrease items already listed in the original contract as a result of evolutionary changes during contract execution and subject to the contractual clauses governing such change may exceed 10%. In this case, the extension is subject to IFAD's No Objection.
- (iii) Procurement with Community Participation is not allowed.

⁴² The choice among QBS, FBS and LCS shall be made by the borrower/recipient in the Procurement Plan based on the nature and circumstances of the relevant procurement activity following the guidance of the IFAD Procurement Handbook.

⁴³ Any request for SSS by the borrower/recipient must be accompanied by a detailed justification, which will be carefully examined by IFAD to ensure that no alternative selection methods can be used. To receive IFAD's NO, it must be demonstrated that there is a clear advantage to SSS over competitive selection. Examples of such circumstances are listed in Section 6, Module F2: Selection Methods for Consulting Services of the IFAD Procurement Handbook.

⁴⁴ Any request for SSS by a borrower/recipient must be accompanied by a detailed justification, which will be carefully examined by IFAD to ensure that no alternative selection methods can be used. To receive IFAD's NO, it must be demonstrated that there is a clear advantage to SSS over competitive selection. Examples of such circumstances are listed in Section 7, Module F2: Selection Methods for Consulting Services of the IFAD Procurement Handbook.

- (iv) The award of Grants and Investment Agreements are subject to the prior review threshold for Consulting Services (firms). The packaging of Grants and Investment Agreements is encouraged, single awards to entities or individuals are discouraged.
- (v) Procurement from United Nations Agencies is allowed.
- (vi) Secondary Procurement (orders against existing Long-term Agreements, national e-catalogues etc.) follows the regulations and applicable thresholds of the national legislation. The prior review threshold of the respective procurement category (goods, works, consulting services and related non-consulting services) applies.
- (vii) The borrower/recipient shall adopt and use the Standard Procurement Documents issued by IFAD (for ICB and for consulting services) and the ones issued by National Authorities for other methods as long as the latter are supplemented/adapted to meet IFAD's SECAP standards⁴⁵ and grievance mechanisms and the IFAD's Project Procurement Guidelines and IFAD Procurement Handbook. This includes adding the IFAD self-certification form at bidding and at contract stage and adapting the national procedures to align with IFAD's as elaborated in the Project Implementation Manual.

7. In accordance with paragraphs 49, 66 and 67 of the IFAD Project Procurement Guidelines and IFAD's Procurement Handbook, the following will be subject to prior review by IFAD and requires IFAD's No Objection:

1	Procurement Plans submitted as part of Annual Work Plans and Budget and any subsequent amendment of these plans;
2	General Procurement Notices
3	The first 2 procurement activities using <i>NCB and NS for each of goods and works and the first 2 procurement activities using each of ICS, CQS, and QCBS.</i>
4	Void
5	The TOR (Job Description), Advertisement and selection proceedings for the hiring of any staff responsible for carrying out or administering procurement processes as part of the project
6	Award of any Memorandum of Agreement irrespective of its value
7	Award of any contract for goods and goods-related non-consulting services estimated to cost US\$ 70,000 or more;
8	Award of any contract for works and works-related non-consulting services estimated to cost US\$ 150,000 or more;
9	Award of any contract for consulting services provided by firms estimated to cost US\$ 60,000 or more;
10	Award of any contract for individual consulting services estimated to cost US\$ 30,000 or more;
11	Award of any contract via Direct Contracting for Goods and related Non-Consulting Services above the low-value threshold specified in paragraph 6. b. (iv). Any contract below this low-value threshold does not need N.O.

⁴⁵ Further detail is available in Annex 4 to Volume 1 of IFAD's Social Environmental Climate Assessment Procedure (SECAP) 2020.

	as long as the cumulative value of such low-value contracts does not exceed the cumulative threshold stated in the same paragraph;
12	Award of any contract via Direct Contracting for Works above the low-value threshold specified in paragraph 6. a. (iv). Any contract below this threshold does not need N.O. as long as the cumulative value of such low-value contracts does not exceed the cumulative threshold stated in the same paragraph;
13	Award of any contract via Single/Sole Source Selection of Consulting Services to firms above the threshold specified in paragraph 6. c. (vii). Any contract below this threshold does not need N.O. as long as the cumulative value of such low-value contracts does not exceed the cumulative threshold stated in the same paragraph;
14	Award of any contract via Single/Sole Source Selection to individuals above the threshold specified in paragraph 6. c. (viii). Any contract below this threshold does not need N.O. as long as the cumulative threshold stated in the same paragraph is not exceeded and the contract duration is three months or less.

8. In addition, the following interim steps of the procurement process for Goods/Works/Services also require IFAD's No Objection for contracts designated for "**prior review**" in the project's procurement plan. No downstream procurement action by the Borrower/Recipient can proceed until prior NO is issued by IFAD as to the propriety and compliance of the undermentioned steps with the IFAD PPF:

	Activity / Step of the procurement process for Prior Review Contracts	IFAD "NO" is required
1	Call/Request for Prequalification document and related advertisement	Yes
2	REOI (Request for Expression of Interest) document for consultancy services and related advertisement	Yes
3	Terms of Reference for consultancy services and related non-consulting services	Yes, usually as part of NO request for issue of the RFP (step 9 below)
4	Technical Specifications for Goods/Works/NCS	Yes, usually as part of NO request for issue of the bid docs (step 9 below)
5	Composition of evaluation committees	Yes, usually as part of steps 9, 13 or 15
6	Prequalification report for Goods/Works/NCS	Yes
7	Shortlisting report for consultants' selection	Yes
8	The use of "prior lists" for shortlisting consultants	Yes
9	Complete Bidding Documents and RFPs and CfPs and related advertisement if applicable	Yes

10	Use of a Performance Guarantee template if other than unconditional, irrevocable and on-demand guarantee	Yes
11	Amendments to the Bidding Documents and RFPs, CfPs	Yes
12	Opening bids/quotes/proposals that are less than 3 (excluding DC/SSS)	Yes
13	Technical evaluation report (in two envelope procedures)	Yes
14	The combined evaluation report (in two envelope procedures)	Yes
15	The single evaluation report (in one envelope procedures) for Goods/Works/NCS/Consulting Services (SSS)	Yes
16	Decisions concerning abnormally low bids	Yes
17	Draft contract	Yes
18	Minutes of negotiation at award for consultancy services (where applicable) or when using DC for Goods/Works/NCS	Yes
19	Rejection of all bids/proposals and cancellation of the procurement procedure	Yes
20	Failure of negotiations and proceeding to next ranked consultant	Yes
21	Proceeding to next ranked bidder if top ranked fails to sign the contract in Goods/Works/NCS	Yes
22	Determination to reject a bid/proposal because of cross-debarment	Yes, usually as part of steps 13, 14 or 15
23	Amendments to contracts exceeding 10% in value (increase/decrease in quantities as a result of evolutionary changes). Additional unforeseen new items exceeding 10% of the contract value is a new procurement subject to Single Source/DC conditions.	Yes
24	Extension of time to contracts exceeding 25% of the original contractual duration in Goods/Works/NC Services/Consulting Services	Yes
25	Termination of a contract in Goods/Works/NC Services/Consulting Services	Yes
26	Void	

9. Award-related Protests and Appeals: For prior-review procurements, all protests, submitted by bidders to the borrower/recipient as a result of a Notice of Intent to Award, must be communicated to IFAD before a decision on the complaint is issued. IFAD reserves the right to provide inputs or comments

to the borrower/recipient to help it reach the decision. A copy of the decision must also be provided to IFAD. For post-review procurements, the borrower/recipient may - at its discretion – inform IFAD about the protest. The borrower/recipient shall inform IFAD of any related Appeal filed to competent national authorities immediately upon becoming aware of such an appeal.

10. IFAD must receive a duly completed Authorised User(s) Letter (see Annex 1), from [the designated representative specified in Section E of the Agreement or his/her delegate], designating the name(s) of official(s) authorised to undertake actions in the IFAD's client project procurement systems which includes client project submitting electronic documentation, entering and updating fiduciary data and to request IFAD's No Objection. The designated representative of the Borrower/Recipient may from time to time change the name/s of the Authorised User(s) or add new ones by written notice to IFAD.
11. Requests for IFAD prior review and no objection, should be routed through OPEN, IFAD's End-to-End Procurement system. OPEN enforces a step-by-step documentation of the workflow for the process for the entire procurement process (expression of interest, IFAD No-Objection, to contract signature) according to the type (e.g. national competitive bidding, international competitive bidding) and object of procurement (e.g. civil works, goods, services). OPEN also has a function as a tracking system for non-procurement workflow (e.g. Project Implementation Manual – PIM, Annual Workplan and Budget). Until this functionality is rolled out, these workflows will be tracked through NOTUS (IFAD No-Objection Tracking Utility System).
12. All contracts, Memorandums of Agreements,⁴⁶ purchase orders and related payments must be recorded in the Contract Monitoring Tool of the IFAD Client Portal. The register of contracts contained within the Contract Monitoring Tool replaces the requirement to complete the Forms C-10 (Register of Contracts) and C-11 (Contract Payment Monitoring Form). Instead, an extract of the register of contracts must be downloaded from the Contract Monitoring Tool for submission together with Withdrawal Applications. The register of contracts must be kept up-to-date on a continuous basis.
13. All the above-outlined procurement terms and conditions shall also apply to project implementing partners and implementing agents approved by IFAD.
14. The aforementioned terms and conditions may be modified by IFAD during the course of Project implementation.

Anticorruption Measures

15. IFAD-financed and IFAD-managed activities and operations are governed under the Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations; therefore, the Borrower/Recipient is required to familiarize itself with this Policy in order to comply with all applicable requirements therein.
16. Specifically, paragraphs 11 to 15 in Section II. D (iii) of the Policy states the actions that the Borrower/Recipient will take to prevent, mitigate and combat Prohibited Practices (i.e., fraud, corruption, collusion, obstruction and coercion, as defined by the Fund) in any IFAD-financed and/or IFAD-managed activity or operation. Borrowers/Recipients are instructed to, *inter alia*:
 - a. Prior to the implementation of an IFAD-financed and/or IFAD-managed operation or activity, inform the Fund of the arrangements made for receiving and taking action in response to

⁴⁶ IFAD distinguishes between a Memorandum of Understanding, Memorandum of Agreement and a service contract in the following way:

Memorandum of Understanding: equivalent to a letter of intent, it cannot involve payments of any kind.

Memorandum of Agreement: it can involve payments but is only applicable to the public sector. It needs IFAD NO regardless of the value.

Commercial (service) contract: should be used for all private sector entities including NGOs.

allegations of fraud and corruption relating to IFAD-financed and/or IFAD-managed activities and operations, in particular:

- i. appoint **and inform the Fund of the** independent and competent national or local authority (or authorities, if the activities that follow fall under the jurisdiction of more than one authority) to be responsible for receiving, reviewing and investigating allegations of fraud and corruption relating to IFAD-financed and/or IFAD-managed activities and operations; and;
 - ii. provide the name(s), position(s) and contact information of a focal point within that authority (or those authorities, as appropriate) and inform IFAD of any potential changes of that focal point.
- b. Borrower/Recipients are also encouraged to have in place, in accordance with effective whistle-blower protection measures and confidential reporting channels in order to appropriately receive and address allegations of fraud and corruption relating to IFAD-financed and/or IFAD-managed operations and activities.

Sexual Harassment, Sexual Exploitation and Abuse

17. IFAD has no tolerance for acts of sexual harassment, sexual exploitation and abuse in relation to its funded activities or operations. In April 2018, IFAD released its Policy to preventing and responding to Sexual Harassment, Sexual Exploitation and Abuse (the IFAD Policy⁴⁷) to define obligations and responsibilities of all individuals who are holders of a contract with IFAD as well as third parties and recipients of IFAD funding.
18. According to Section 7.07 of the General Conditions, the Borrower/Recipient and the Project Parties shall ensure that the Project is carried out in accordance with the provisions of the IFAD Policy as may be amended from time to time. The Fund may take appropriate measures in line with such Policy.
19. In line with Section 34 of the Policy, the Borrower/Recipient shall ensure that contracts with Project Parties include: (i) provisions prohibiting acts of sexual harassment, sexual exploitation and abuse, (ii) obligation to immediately report incidents of sexual harassment, sexual exploitation and abuse to IFAD or to the Borrower/Recipient and (iii) provisions allowing for the immediate termination of the contract based on proven acts of sexual harassment, sexual exploitation and abuse.
20. Pursuant to Section 8.06. of the General Conditions, the Borrower/Recipient and Project Parties shall promptly inform the Fund of any non-compliance with the IFAD Policy. In accordance with Section 12.01 (xxv) of the General Conditions, the Fund may suspend, in whole or in part, the right of the Borrower/Recipient to request withdrawals from the Loan and/or Grant Accounts if, after consultation with the Borrower/Recipient, it determines that acts of sexual harassment, sexual exploitation and abuse were engaged in by representatives of the Borrower/Recipient or a Project Party or by any other recipients of the proceeds of the Financing without the Borrower/ Recipient having taken timely and appropriate action, satisfactory to the Fund, to address such acts when they occur.
21. Borrowers/Recipients are also encouraged to have in place, effective whistle-blower protection against retaliation measures, victim support and assistance mechanisms and confidential reporting channels in order to receive, address and respond to allegations of sexual harassment, sexual exploitation and abuse relating to IFAD-financed and/or IFAD-managed operations and activities.

Accept, Excellency, the assurances of my highest consideration⁴⁸.

Country Director

⁴⁷ <https://www.ifad.org/en/document-detail/asset/40738506>

⁴⁸ Correct opening and closing salutations can be found in the [CIAO system](#).

Annex 12: Procurement Supervision Plan

1. Introduction

This Procurement Supervision Plan (PSP) is developed to ensure that all procurement activities under the REGEP-UP project align with IFAD's procurement principles of fairness, transparency, value-for-money (VfM), competition, and efficiency. It also ensures compliance with IFAD's Procurement Guidelines and the Financing Agreement.

2. Supervision Approach

The procurement supervision approach is risk-based and ensures that high-value and high-risk contracts receive greater scrutiny, while lower-risk activities follow streamlined reviews. The plan includes prior and post reviews, field supervision missions, and real-time support.

The implementing partners roles are as follows:

- JEDCO: Main implementing entity
- Other I.P.s: Competitively selected to manage grant components
- Other partners: managing microcredits and lending

Each mission will monitor/support all entities who engage with procurement/grant execution.

3. IFAD Procurement Supervision Plan

Supervision activities include **prior reviews, post reviews, real-time procurement monitoring, technical assistance and field missions** to ensure compliance.

3.1. Start-up

- IFAD will dedicate 1-2 days during startup to discuss the PS and PIM with the PIU and agree on adaptation modalities and frequency.

3.2. Prior Review Activities

- IFAD will assign a consultant to support the Country Director in Prior Review Activities

3.3. Field Supervision Missions

- IFAD will conduct supervision missions every 12 months on average.
- Procurement supervision will visit each Implementing Partner and PIU and evaluate each and the procurement/grants conducted by each.
- Visit to field is mandatory to verify compliance, performance, value for money, etc.

3.4. Support Missions

- IFAD will conduct support missions every 12 months on average.
- Support will be provided to all Implementing Partners and PIU.

3.5. Technical Assistance

- These dedicated TA or deep dive missions will provide technical assistance, troubleshooting, and capacity-building support to the Project Implementation Unit (PIU) and procurement staff. These will be provided based on need and demand; ideally, once in the first year and then depending on need. These will focus on
- Technical Support & Troubleshooting: Assisting the PIU in resolving procurement challenges, strategic plan updates, I.P. coordination, contract management issues, or supplier disputes.

- **Capacity Building & Training:** Conducting hands-on training for procurement staff on IFAD procurement procedures, evaluation methods, and contract administration best practices.
- **On-Site Risk Assessment:** Evaluating procurement risks, compliance with IFAD policies, and adherence to SECAP (Social, Environmental, and Climate Assessment Procedures).
- **Stakeholder Engagement:** Coordinating with local government agencies, suppliers, contractors, and beneficiaries to ensure smooth procurement execution and address market-related constraints.
- **Real-Time Procurement Monitoring:** Providing on-the-ground supervision for ongoing procurement activities, reviewing procurement records, and ensuring compliance with IFAD guidelines and national regulations.

4. Procurement Progress Reporting

The PIU will submit the following reports to IFAD:

- **Quarterly Procurement Progress Reports** (highlighting procurement/grant milestones, contract awards, and implementation delays)
- **Annual Procurement Performance Review Report** (assessing efficiency, challenges, and risk mitigation strategies)
- **Compliance Audit Report** (covering contract performance, VfM realization, and regulatory compliance)

5. Procurement Audit & Compliance Checks

- An external procurement audit will be conducted if needed based on IFAD's request.
- Procurement compliance will be verified against IFAD's Procurement Guidelines and the Financing Agreement.

8 MONITORING & EVALUATION, KNOWLEDGE MANAGEMENT AND COMMUNICATION

8.1 Monitoring and Evaluation

8.1.1 M&E system, roles and responsibilities

REGEP UP will have a robust M&E system to track the implementation, outcomes and impact of all project interventions. The M&E system is largely comprised of the (i) Results Management Framework, (ii) Monitoring tools and procedures, (iii) Evaluation tools and procedures, (iv) MIS, (v) M&E human Resources.

The M&E system will be built around the following core components:

- Project Theory of Change and Logical Framework, providing the results architecture and the basis for measurement.
- A comprehensive M&E Plan
- A digital Management Information System (MIS) to support real-time data management and reporting.
- Baseline, midline, and endline surveys to measure changes in outcomes and impact over time.
- Mid-term and project completion reviews, to assess progress and inform decision-making.
- Annual outcome surveys to monitor short-term changes in key indicators.
- Thematic studies and problem analyses to generate deeper insights on specific areas of interest.
- Continuous monitoring of project activities, outputs, and key milestones.
- Risk assessment and mitigation tracking to anticipate and manage implementation challenges.
- Field visits, joint supervision missions, and implementation reviews conducted by project teams, government stakeholders, and IFAD.
- Adherence to relevant Project Documents and IFAD M&E guidelines.

REGEP-UP M&E unit will be comprised of an M&E Specialist, an M&E Associate, forming the Central M&E Unit, and M&E units with each Project Implementation Partner (PIPs). The Implementation partners' M&E units will work in close coordination with and support from the M&E Central unit and will: (i) ensure data collection and on-site verification of data collected; (ii) provide extensive support to target beneficiaries in the target regions; (iii) disseminate information through diverse communication channels; (iv) report to the M&E Central unit on implementation progress. The day-to-day implementation and coordination of M&E activities will rest with the M&E specialist, who will also have overall responsibility for quality assurance, data analysis and reporting. The IPs, including Service providers (SPs), will have M&E roles and responsibilities as described in the PIM.

Generally, all Project stakeholders will have M&E roles and responsibilities:

JEDCO: The central project staff, particularly the M&E team, will play a critical role in implementing the project's monitoring and evaluation activities. The M&E Specialist within the Project Management Unit (JEDCO) will be responsible for developing the M&E strategy and tools—including the M&E plan, Management Information System (MIS), and data collection and reporting formats—and for overseeing all M&E-related activities across the project. This includes monitoring the activities carried out by Project Implementation Partners and Service Providers. The detailed responsibilities of the M&E Specialist are outlined in the Terms of Reference (ToR) found in section 9 of this Project Implementation Manual (PIM). The Project Manager will rely on the evidence generated by the M&E system to inform decision-making, engage with government counterparts and donors, and ensure timely communication of all necessary project information.

All project staff, including component leads as well as finance and procurement officers, will be responsible for submitting accurate data on the project's financial and physical progress. This data must

align with the requirements specified in the data collection tools developed by the M&E team and be submitted according to the timelines and frequencies defined in the M&E plan.

Project Implementation Partners: The Project Implementation Partners (PIPs) and their respective M&E specialists will play a pivotal role in executing the project's monitoring and evaluation activities at the field level. Each PIP's M&E specialist will be responsible for the effective implementation of day-to-day M&E tasks assigned to their respective organizations.

Their core responsibilities will include:

- Systematic data collection and recording based on the indicators, formats, and information requirements defined by the Central M&E Unit at the JEDCO.
- Ensuring the accuracy, completeness, and timeliness of data, in line with the M&E plan and reporting protocols.
- Submitting regular progress reports, including Monthly Progress Reports and comprehensive Annual Progress Reports, to the JEDCO for consolidation and analysis.

Through these reports, PIPs will provide continuous updates on the implementation status of project activities, track key performance indicators, and identify operational challenges and bottlenecks. This information will be critical in supporting the JEDCO's ability to monitor project progress, assess performance against targets, and take timely corrective actions where needed.

Furthermore, the PIPs' M&E staff will contribute to learning and adaptive management processes, ensuring that field-level insights and feedback loops inform project planning, resource allocation, and strategic decision-making.

Service providers: External firms, including service providers contracted to implement specific project activities, such as training, capacity building, and technical support will be responsible for collecting and recording data necessary to meet the project's monitoring and reporting requirements. This includes data related to activity outputs, stakeholder participation, and beneficiary feedback.

To ensure consistency and quality, digital data collection tools will be developed and provided, with clear data requirements defined by the M&E team. These requirements will be explicitly outlined in the terms of reference and contracts with the service providers.

In addition to implementation support, external firms will also be contracted to carry out selected M&E functions, such as conducting baseline, mid-line and endline surveys, outcome assessments, or supporting the development and maintenance of the project's Management Information System (MIS).

PFI/ACC: ACC and Participating Financial Institutions (PFIs) will provide monthly reporting to the JEDCO with respect to the loans disbursed through the IFAD funded rural finance projects in line with the information needs specified in the data collection forms developed and circulated by the Central M&E team. A draft data request form for PFIs is included in Annex 4 of the current PIM.

Beneficiaries: Small scale farmers, Rural entrepreneurs, MSMEs, etc., will play a key role in M&E activities, such as keeping records of activities supported by the project and monitoring their business plan against predefined progress indicators. The beneficiaries will also participate in COI surveys and the Project team shall ensure that they are duly informed about their possible participation in the survey (demonstrate readiness to be interviewed) before project benefits are extended.

Government: The government will provide strategic guidance and ensure resource availability. It will use evidence and M&E data (annual workplan and budget [AWPB], progress reports, etc.) for decision-making.

IFAD: IFAD will support project implementation and will play a key role in supervising M&E activities and providing technical assistance as needed. In particular, IFAD will be actively involved in the preparation and execution of the Core Outcome Indicator surveys, offering technical support through the review of Terms of Reference (ToRs), inception reports, and final survey reports to ensure methodological rigor and alignment with project objectives.

8.1.2 Logical Framework

The primary responsibility of project management is to ensure the achievement of the Project Goal, Development Objective, and intended outcomes, as measured through defined indicators. The Logical Framework (logframe) outlines the indicators and corresponding targets to be reached by Mid-Term and by the end of the project.

Relevant indicators have been identified in the REGEF-UP logical framework, with target values estimated accordingly. These indicators span across all results levels—outputs, outcomes, and impacts—and include both IFAD Core Indicators (CIs) and project-specific indicators. The logical framework is directly derived from the project's Theory of Change, clearly illustrating the causal relationships between different results levels and enabling a structured analysis of whether the project is progressing as planned.

The REGEF-UP logframe will be continuously monitored and analyzed by the project team in a participatory manner throughout the project lifecycle, to assess progress against established targets and support adaptive management. In addition, the Theory of Change and logical framework indicators, along with the key project assumptions, will be reviewed at Mid-Term to account for evolving realities and to integrate any adjustments made during the project's mid-term review.

A glossary and definitions of all REGEF-UP Indicators used in the logframe are provided in Appendix ... of this Project Implementation Manual (PIM).

The outcome/impact level indicators included in the project logical framework (both CIs and project specific indicators^[1]) will be measured through Core Outcome Indicator (COI) surveys implemented at Baseline, Mid-term and Endline, in line with IFAD COI guidelines. COI surveys will be outsourced to a qualified SP selected on a competitive basis. ToRs will be developed for the assignments by the JEDCO, which will be subject to IFAD's approval. The baseline survey will be implemented in Project Year 1. COI surveys will be complemented by ad hoc thematic case studies, problem analysis etc. Information will be used to identify, document and share project bottlenecks, successes and innovations, to help guide evidence-based decision-making for the timely implementation of corrective measures, replication of successful interventions and learning.

^[1] The modules for project specific indicators shall be included in COI questionnaire modules.

8.1.3 Start-up and baseline

The Project start-up is a critical phase to ensure effective project implementation. This is the phase where many key documents and aspects of the Project are developed.

The following deliverables are expected in the start-up and baseline phase:



The M&E Specialist and M&E Associate will be responsible for key aspects of project implementation and will play a critical role during the project start-up phase. Their early engagement is essential to ensure that robust systems are in place to track progress, assess performance, and support evidence-

based decision-making from the outset. During the inception phase, they will lead the development of all foundational M&E documents and systems, including:

- The Monitoring and Evaluation (M&E) Plan, outlining indicators, data sources, responsibilities, reporting timelines, and methodologies;
- The design and development of data collection tools tailored to the project's logical framework and aligned with IFAD Core Indicators and project-specific indicators;
- The conceptual design of the Management Information System (MIS), which will serve as the central platform for data management, analysis, and reporting throughout the project lifecycle.

This early work will be crucial in ensuring that M&E systems are fully integrated into project operations and that reliable data is available to guide implementation, learning, and course correction as needed.

The purpose of the **baseline survey** is to identify household characteristics before project interventions and generate benchmark information for Log-frame indicators.

IFAD's COI measurement guidelines shall be used to prepare the REGEUP-UP baseline survey, which will be conducted in the first year of project implementation. The implementation of the Baseline Survey will be outsourced to a qualified Service Provider, based on Terms of Reference (ToR) developed by the JEDCO M&E Specialist, using the template provided in the COI Guidelines. The ToR will be submitted to IFAD for review and approval prior to contracting. The M&E Specialist jointly with the M&E Associate will oversee the process (selection; backstopping and supervision; quality control of process), but IFAD's clearance should be sought for key aspects (survey ToRs, then survey methodology, final survey report).

When conducting the baseline survey, it is of key importance that data is collected before any benefits have reached the (potential) beneficiaries, thus providing a detailed description of the initial situation. The M&E Specialist oversees the preparation of the report and assures its quality. The baseline report summarizes the conclusions from the survey analysis and includes the following key elements:

- A detailed description of the methodology and questionnaire used
- A list of the villages/communities surveyed (including number of potential beneficiaries surveyed per village/community)
- The survey results and their analysis and interpretation
- The updated logframe (baseline values), based on the survey results
- Survey limitations
- The survey database

8.1.4 M&E plan

The M&E Plan serves as the operational blueprint for the project's Monitoring and Evaluation system, detailing all processes, tools, responsibilities, and timelines to ensure its effective implementation. It articulates the M&E approach, including the methodologies, activities, data flow mechanisms, and coordination arrangements required to systematically track project performance and results.

The M&E Plan will include detailed guidance on:

- M&E processes and responsibilities at all implementation levels;
- Data collection, verification, and reporting protocols;
- Tools and formats to be used, such as data collection instruments, reporting templates, and feedback mechanisms;
- Information flow, including how data moves from the field to central levels and how it is used for decision-making.

A comprehensive Annex will provide key reference materials, including:

- Data collection forms and survey questionnaires;
- Standardized reporting templates (monthly, quarterly, annual);
- Terms of Reference (ToRs) for surveys and special studies;

A detailed M&E matrix, which describes each indicator, including its definition, baseline, target values (midline and endline), annual targets aligned with the Annual Work Plan and Budget (AWP&B), data sources, responsible parties, data collection tools, and frequency.

The Plan will also explicitly define the linkages between output indicators and AWP&B items, ensuring coherence between project planning, resource allocation, and performance monitoring.

Additionally, the M&E Plan will outline:

- Reporting and learning mechanisms, specifying how results will be reported, shared, and used for adaptive management;
- The dissemination strategy to engage different stakeholders, including project staff, government partners, IFAD, and beneficiaries;
- A schedule of M&E activities with clear milestones; and
- An estimate of the financial and human resources required to implement the M&E activities effectively.

This plan will be a living document, reviewed periodically to reflect any adjustments in project implementation or indicator frameworks. The M&E plan guides project staff and implementation partners on how and when to conduct M&E activities, which is why the plan should already have been developed at start-up.

8.1.5 Management Information System for Project Monitoring and Evaluation

A custom-made, cloud-based Monitoring and Evaluation Management Information System (M&E MIS) will be developed during the first year of project implementation to ensure systematic, consistent, and digitalized data collection and management across all components and interventions. The total budget allocated for the establishment of the MIS, including software development, digital tools, and annual operation and maintenance is estimated at USD 41,000. The MIS facilitates entering, storing and processing data into useful information to fulfil the need of an effective M&E function. It helps provide complete, accurate and up-to date information on beneficiaries, progress, and results. The information will benefit all Project stakeholders (including Project Manager, IFAD, GoJ, IsDB) and will contribute to strengthened accountability, performance analysis and enhanced learning and informed evidence-based decision making by Project Management, Government and IFAD.

The MIS will capture essential data on both core and project-specific indicators, including additional indicators not covered in the Log-frame. It will also track physical and financial progress, provide detailed beneficiary profiles (classified by target group as defined in the Project documents), and include sex- and age-disaggregated as well as spatial data.

The M&E Specialist will lead the conceptual design of the MIS, while the recruited service provider will be responsible for its technical development. A ToR for the assignment will be developed by the M&E Specialist, which will be subject to IFAD's approval. Key project stakeholders will participate in the development process to ensure system relevance and ownership. The MIS will operate as an integral part of the broader M&E system and will be decentralized, enabling PIPs to enter data directly within their designated areas of responsibility. Access will be limited to their respective platforms to ensure data integrity and security.

The system will comprise dedicated modules for each project component and intervention, enabling the collection, storage, and management of comprehensive, accurate, and up-to-date information on beneficiaries, implementation progress, and results across all relevant project indicators. A specialized module will also be developed to capture data on beneficiaries who have received multiple services

from the project, thereby supporting integrated beneficiary tracking and analysis of cross-cutting impacts. Additionally, a scoring and ranking system will be integrated into the MIS to enable automated ranking of beneficiaries, in accordance with the eligibility criteria outlined in the Project Documents

The system will include functionalities for data disaggregation according to the project's target groups, logical framework requirements, mandatory multipliers, type of intervention, and other relevant criteria. This will ensure the project's ability to report in alignment with both internal planning and external reporting obligations, including those to IFAD and national partners.

The system will be regularly updated with data collected from the field, including routine monitoring data and findings from the various studies conducted throughout the project's implementation. This will ensure real-time availability of high-quality data to inform decision-making, performance tracking, and adaptive management. The monitoring and evaluation system will be coupled with a geo-localized information system (GIS) that will allow mapping and spatio-temporal analyses. Double counting will be automatically removed at outreach level and the system will allow tracking beneficiaries having received multiple services from the Project.

The data that should be kept in the MIS varies by indicator, by type of intervention and the related information needs. The core products from the MIS will include but will not be limited to the following:

- Table with targets and results (annual and cumulative) for all indicators (Core indicators (CI), Project specific indicators (PSI).
- Table with targets and results (annual and cumulative) for selected indicators (CI/PSI, log-frame and non-log-frame) and visual presentation of the same.
- Table with activity and budget details (Appendix to the AWPB). Budget summary tables. The activities will be aligned with those in the cost-tables.
- Summary of physical and financial progress. Table with detailed progress information – physical and financial results (annual and cumulative) against planned targets (annual and cumulative).
- List and detailed information about people receiving project services by type of service and other details to meet the project information needs and also in line with the targeting strategy, mainstreaming themes, etc. A separate table showing persons receiving multiple services from the project.
- Other products that will be defined during the conceptual design of the MIS as specified by the M&E Specialist.

The M&E system will collect, store and analyse data, both qualitative and quantitative, to inform decision-makers and management and other relevant stakeholders about the project progress against expected results, identify implementation bottlenecks to take timely corrective actions when needed and/or draw lessons learned, and to document project successes to replicate successful interventions. The M&E system should: (i) produce, organize and disseminate the information needed for the strategic management of the Project, (ii) document the results and lessons learned for internal use and for public dissemination on the achievements and (iii) respond to the information needs of IFAD and the Government on the activities, immediate outcomes and impact of the Project.

To enhance data accuracy and efficiency, the project will utilize ICT tools, such as survey solutions^[1] and Kobo Toolbox, for both field-level and routine day-to-day data collection activities. Android tablets or mobile devices (phones) will be used for digital data collection. The technical specifications for Android tablets working with Survey Solutions are presented in the Annex 3 of the this section. Comprehensive training will be provided to the M&E team on the use of the MIS and associated ICT tools, ensuring effective system use and improved data quality. Survey data will be stored and processed using standard software tools commonly used by service providers, such as SPSS, STATA, or R.

Data request forms (digital and offline) will be developed for loan and grant applications to enable the identification and categorization of target groups, eligible investments, eligibility requirements, and other relevant information. These forms will be shared with key stakeholders, including PFIs, PIPs, and SPs, to ensure that project information needs are consistently met. The use of these forms will be embedded in contractual agreements with PFIs, PIPs, and SPs. To ensure data quality and accuracy, on-site data verification will be conducted by the M&E units of the PIPs, complemented by sample-based verification by the Central M&E Unit. Furthermore, PFIs will monthly report to JEDCO in line with the data requirements defined by JEDCO M&E and rural finance specialists elaborated in the digital data request forms circulated by the M&E central unit.

The project will establish stakeholder feedback mechanisms both online (through social media pages, call centres and websites, etc.) and offline - by e.g. placing letterboxes in the governorates, governorate JEDCOs, PFIs, etc. where the beneficiaries with limited/no access to the internet can submit their feedback/complaints through letters to be further collected and analysed by the governorate JEDCOs.

^[1] The use of survey solutions is highly recommended, to allow harmonizing the processes.

8.1.6 MTR Survey

The MTR survey will measure the midterm values of REGEP UP outcome (and impact, if included) indicators, making it possible to compare midterm with baseline data. A total budget in the amount of around US\$ 95,000 will be allocated for the implementation of a robust mid-term survey.

IFAD COI measurement guidelines shall be used to prepare the REGEP UP midterm survey. Conducting the survey requires good planning to ensure that results are available in a timely manner, as procurement processes and fieldwork could prove to be lengthy. The midterm survey should be conducted, and the results made available prior to the midterm review missions to enable teams to use survey results in their mission reports. The midterm survey should be conducted on the same sample of beneficiaries as the baseline survey, if feasible.

The implementation of the Project MTR Survey will be outsourced to a qualified Service Provider for which a ToR will be developed by JEDCO M&E Specialist and approved by IFAD. The M&E Specialist, jointly with the M&E Associate, will oversee the process (selection; backstopping and supervision; quality control of the process), but IFAD's clearance should be sought for key aspects (survey ToRs, then methodology and the final survey report).

The midterm survey report summarizes the conclusions from the survey analysis and should be made available prior to the MTR mission. The M&E Specialist will oversee the preparation of the report and assures its quality. The report includes the following key elements:

- A description of the methodology and questionnaire used
- A list of the villages/communities surveyed (including number of beneficiaries surveyed per village/community)
- The survey results and their analysis and interpretation, including the analysis of the ToC and its description based on the results of the survey, as well as analysis of the results based on the targeting strategy.
- The updated log-frame (midterm values and targets), based on the survey results
- Survey limitations
- The survey database
- Preparation of the AWPB

The AWPB stipulates the expected outputs (physical targets) for the coming year, for each project component. The AWPB then describes the activities to be implemented to deliver those outputs and the financial resources (financial targets) required to do so. It should be aligned and consistent with the log frame and the procurement plan.

8.1.7 Completion survey

The completion survey (Project impact assessment) will measure the Project's final results, which will then be inputted in REGEP UP Log-frame. Completion survey results will enable the measurement of changes attributable to the Project's intervention at the outcome and impact level and the degree to which REGEP UP met its objectives. A total budget in the amount of USD 99,000 will be allocated for the implementation of a robust completion survey.

IFAD's COI measurement guidelines shall be used to prepare the completion survey. Conducting the survey requires good planning to ensure that the results are available in a timely manner, as procurement processes and fieldwork could prove to be lengthy. The completion survey should be conducted and the results made available prior to the completion mission to enable the teams to use the survey results in the PCR. The completion survey should be conducted on the same sample of beneficiaries as the baseline and midterm surveys, if feasible.

The implementation of the Project Completion Survey will be outsourced to a qualified Service Provider for which a ToR will be developed by JEDCO M&E Specialist and approved by IFAD. The M&E Specialist, jointly with the M&E Associate, will oversee the process (selection; backstopping and supervision; quality control of the process), but IFAD clearance should be sought for key aspects (survey ToRs, then methodology and the final survey report).

The Completion survey report summarizes the conclusions from the survey analysis and should be made available prior to the completion mission. The M&E Specialist oversees the preparation of the report and assures its quality. The report includes the following key elements:

- A description of the methodology and questionnaire used
- A list of the villages/communities surveyed (including number of beneficiaries surveyed per village/community)
- The survey results and their analysis and interpretation, including the analysis of the ToC and its description based on the results of the survey, as well as analysis of the results based on the targeting strategy.
- The updated log-frame (end values and targets), based on the survey results
- Survey limitations
- The survey database

8.2 Reporting

REGEP UP will employ a results-based management approach that actively uses progress data and analytical insights to inform strategic and operational decisions. The project will have both internal and external reporting and reflection mechanisms. Internally, **monthly performance reports** will be prepared by JEDCO units, PIPs, SPs, and PFIs. These reports will cover implementation progress against planned targets. In addition, the PCMU will submit **semi-annual/annual progress reports**, presenting implementation progress against annual and appraisal targets. Data collected through the project's M&E system, including output, outcome and financial indicators will form the basis for these reports. This evidence base will support informed decision-making, guide the refinement of project approaches and work plans. Regular internal reflection workshops will be organized to assess progress, address operational challenges, and facilitate knowledge sharing among project teams and

stakeholders. Additionally, JEDCO will **prepare technical reports** – such as (i) M&E reports elaborating on the analysis of the wide range of data across components and interventions to be available in the M&E system, analysis of the results of ad hoc/thematic qualitative and quantitative studies, quick outcome surveys, problem analysis, etc., (ii) Knowledge Management Reports elaborating on the best practices and lessons learned, innovative approaches, success stories, etc., communication related activities, analysis of stakeholder feedback and grievance, etc. The M&E Specialist will be responsible for the preparation of progress and results/analytical reports. These reports are meant for project management and other stakeholders and are usually issued on a monthly basis and upon specific request.

Furthermore, **external technical reviews and evaluations**, including mid-term reviews, outcome surveys, and thematic studies will provide independent assessments and evidence on what works and what requires adjustment. Findings from these processes will be used to strengthen strategies, improve targeting, and enhance the effectiveness of interventions, along with feeding into the MTR and the Completion Reports. In addition, the PCMU will submit semi-annual and annual progress reports in a format acceptable to IFAD, presenting implementation progress and achievements against annual activity and output targets. Regular internal reflection workshops will be organized to assess progress, address operational challenges, and facilitate knowledge sharing among project teams and stakeholders. These workshops will promote adaptive planning and enable timely adjustments to interventions based on field-level realities. By embedding continuous learning and feedback loops into project implementation, the project will remain responsive, evidence-based, and aligned with evolving ground-level needs and opportunities.

The preparation of the **AWPB** will follow a participatory and results-oriented process that ensures alignment with the project's strategy, logical framework, and broader Theory of Change. Planning will be guided by performance data, field-level consultations, and progress toward outcome indicators. Results-based AWPBs will be developed through close coordination among technical leads, implementing partners (including Project Implementation Partners – PIPs), and other stakeholders at both national and local levels.

Each year, JEDCO will initiate the AWPB process by issuing guidance and templates aligned with IFAD requirements. The AWPB will be built upon the individual work plans submitted by PIPs, which will detail planned activities, corresponding budgets, and implementation timelines. JEDCO will coordinate inputs across sectors and disciplines, ensuring coherence, technical and financial soundness, and procurement feasibility, while also integrating cross-cutting priorities such as gender, youth inclusion, climate resilience, and nutrition.

Sector specialists, M&E officers, finance and procurement staff will work collaboratively to ensure the quality and feasibility of the consolidated plan. Once the draft AWPB is prepared, it will be circulated among key implementing partners, line ministries, and stakeholders for review and validation. Feedback will be incorporated before submission to the Project Steering Committee (PSC) for endorsement. To align with the Government of Jordan's planning cycle, the AWPB preparation will begin in August and conclude by October, with submission to IFAD for no-objection at least 60 days before the end of the fiscal year (January 1st – December 31st).

8.3 Supervision

Project supervision: The project will be supervised directly by IFAD in partnership with MoA and in accordance with IFAD guidelines. Annual implementation support and supervision missions will be organised every year during the project's lifetime. Implementation support and supervision missions will not be conducted as a general inspection or evaluation, but rather as an opportunity to assess achievements and lessons learned, and to reflect upon ways to improve implementation and impact.

The JEDCO jointly with the PIPs will ensure that the agreed actions at supervision and Implementation support missions are implemented within the agreed timeframe. IFAD also will be responsible for (i) reviewing withdrawal applications for IFAD proceeds; (ii) reviewing and approving requests for no-objection; (iii) monitoring compliance with the Financing Agreement, recommending remedies for any substantial non-compliance; and (iv) carrying out all other functions needed to administer the financing and supervise the project.

Mid-term review (MTR): MoA and IFAD shall jointly carry out an in-depth joint mid-term review no later than the third year of the project (year 2028) based on the terms of reference prepared by JEDCO and approved by IFAD. JEDCO will conduct a project mid-term survey in line with IFAD COI guidelines to adequately inform MTR mission. Among other things, the MTR will consider the achievements of project objectives and constraints and recommend any reorientations that might be required. JEDCO and PIPs will ensure that the agreed actions at MTR are implemented within the agreed time frame.

Project completion: After project completion date and no later than the closing date, MoA will carry out a project completion report complying with IFAD standards. In addition, JEDCO will conduct a project impact evaluation in order to adequately inform the completion report.

8.4 Knowledge Management, Communication and Learning

The REGEP-UP project integrates a robust knowledge and policy engagement strategy to generate, apply, and disseminate evidence to drive systemic change in Jordan's food security and rural development landscape. REGEP-UP is aligned with the IFAD Country Strategy Note (CSN) for Jordan and contributes to national frameworks, such as the National Food Security Strategy (NFSS) and the Economic Modernisation Vision.

REGEP-UP will generate actionable, credible, and scalable knowledge rooted in project implementation and targeted research. It will address knowledge gaps in food security governance, climate-resilient agriculture, and inclusive value chain development, focusing on areas such as institutional coordination, food crisis response, water use efficiency, and smallholder market access.

To respond to these gaps, the project will produce policy briefs, studies, and M&E-based lessons, including contributions to the Food Security Information System, and policy diagnostics (e.g. water-efficient crops). Through its M&E system and multi-stakeholder platforms, REGEP-UP will generate field-level evidence to inform national policy processes, including updates to the NFSS Action Plan and the National Plan for Sustainable Agriculture.

REGEP-UP will support the Higher Council for Food Security (HCFS), Jordan's apex food security body, by institutionalizing coordination mechanisms, facilitating inter-agency dialogues, and supporting the Council's Secretariat in results-based planning and performance monitoring. Learning loops will be embedded through partnerships with UN Agencies, research institutions, and farmer groups.

Dissemination will occur via policy roundtables, strategic communications (e.g. media briefs, video stories), stakeholder workshops, and regional knowledge exchanges. Project knowledge will also contribute to global and regional platforms, including IFAD's learning events and South-South Cooperation initiatives. The communication approach will follow a targeted and strategic methodology for information dissemination, utilizing a mix of online and offline channels to effectively reach diverse audiences.

Through its embedded CLPE approach, REGEP-UP ensures that field-level innovations lead to lasting institutional and policy reform, driving resilience and inclusive rural transformation in Jordan.

Building on the lessons learnt from REGEP an integrated KM and Communication Strategy that supports achievement of REGEP UP goals and objectives will be developed during the project start-up

phase. The strategy will outline systems, processes and responsibilities to ensure that the project will generate, capture, analyse, document, package and disseminate knowledge and lessons learned throughout the project internally as well as externally. The integrated Knowledge Management and Communication (KM&C) Strategy for REGEF-UP will define the project's KM strategic objectives, aligning them with national priorities for inclusive, climate-resilient, and nutrition-sensitive value chains. The strategy will identify key areas of KM-related work and define priority KM products, all aimed at enhancing project performance, scaling proven innovations, and supporting evidence-based policymaking.

A central focus of the strategy will be leveraging field-based learning from inclusive value chain interventions that contribute to food and nutrition security. These learnings will be systematically captured, analyzed, and disseminated to inform both implementation and policy.

Key Areas of KM&C Focus:

- Demonstrating best agroecological and climate-smart agricultural practices and technologies, tailored to REGEF-UP's priority value chains (e.g., dates, olives, fruits, and vegetables).
- Documenting the relationship between inclusive value chain integration and improved food and nutrition outcomes, using empirical field evidence.
- Modelling scalable inclusive value chain approaches that integrate smallholder farmers, women, youth, and micro-entrepreneurs.
- Capturing the outcomes of successful public-private and community partnerships, particularly those supporting value addition and enhanced market access.
- Piloting and assessing innovative rural financial products and climate-resilient infrastructure solutions, including water-efficient technologies and sustainable processing methods.

These efforts will be supported through targeted research and field-based learning, particularly under Component 1, which focuses on value chain demonstrations. The research will yield high-quality thematic studies, and evidence reports to inform national dialogue, guide programmatic adjustments, and strengthen the case for investment in inclusive value chains. To generate credible evidence on the impact of pilots and demonstrations, The PMU will consider establishing an MoU with a research institution or university with expertise in impact evaluation design (e.g., RCTs). This partner could help design the data collection plan, align it with the M&E system, and link outcomes to cost-effectiveness analysis.

KM activities will include, but not be limited to, the following:

- Capture and synthesize field-level evidence on water-efficient and climate-resilient irrigation practices (e.g., drip systems, water harvesting systems, etc.)
- Develop practical guidance notes, farmer-friendly manuals, and decision-support tools for smallholder adoption of improved irrigation.
- Document results from demonstration plots showcasing climate-smart and nutrition-sensitive agricultural practices across target value chains.
- Produce thematic briefs and technical packages for extension agents and farmer field schools.
- Model CSA systems optimized for improved irrigation efficiency, crop diversity, and productivity under climate stress. Translate modelling outputs into actionable recommendations on crop selection, seed varieties, spacing, fertilization, and integrated pest management.
- Conduct case studies and field-based evaluations linking value chain participation with improved food and nutrition outcomes.
- Capture evidence from piloted financial products (e.g., SME finance, microfinance) and document inclusive business models that successfully engage women, youth, and micro-entrepreneurs.

- Analyze and document success factors in partnerships that enhanced smallholder market access and value addition.
- Develop knowledge products and learning notes highlighting pathways for replication and scale.
- Leverage digital platforms (e.g., web portals, social media, mobile apps) to disseminate project knowledge to stakeholders.
- Enable two-way learning exchanges between field practitioners, policymakers, researchers, and beneficiaries through stakeholder platforms, community-based participatory learning forums, knowledge fairs and thematic workshops.
- Commission thematic studies and policy diagnostics on critical topics (e.g., water-efficient crops, water use efficiency, food price volatility, food crisis response, and smallholder market access).
- Feed evidence into the Food Security Information System and national policy dialogues.
- Organize regular joint learning events with the Higher Council for Food Security (HCFS), line ministries, private sector actors, and farmer organizations.
- Produce and disseminate policy briefs summarizing learning from field-based experiences.
- Promote participatory learning loops through engagement with women and youth to identify knowledge gaps and co-develop capacity-building solutions.
- Develop gender- and youth-sensitive communication products to ensure inclusive access to knowledge.
- Apply a targeted communication methodology using a mix of online (web portals, social media, videos) and offline (posters, workshops) channels tailored to different audiences.
- Deploy government extension agents, CBOs, and Associations as knowledge multipliers in rural areas.
- Track the uptake and application of knowledge products using simple feedback tools embedded in the MIS and M&E system.

Local governments, cooperatives and associations, as well as Public and Private service providers supported or partnered with by the project will play a key role in knowledge dissemination, transfer and uptake by the target groups and in knowledge use by decision-makers and relevant stakeholders.

A dedicated project KM&C specialist/focal point at JEDCO will ensure the implementation of KM and communications related activities. KM&C activities will be periodically supported by hired service providers, as needed. The detailed responsibilities are elaborated in the ToRs provided in Appendix .. of the current PIM.

Concurrently, a downward and upward flow of information (digital and offline) about project opportunities, eligibility requirements, progress, etc. between JEDCO and governorates, implementing partners, and beneficiaries will foster ownership and participation with support from the Implementation partners. Both digital and offline systems for these information exchanges (e-platforms, websites (including Project website to be established), social media, Local TV, WhatsApp, Telegram, Newspapers, Posters, leaflets, information meetings, etc.) will be developed and used on a regular basis, including (i) multi-stakeholder consultation to determine the knowledge and information needs of target groups, particularly women and youth, across the thematic areas, (ii) implementation review and reflection meetings to promote sharing and discussion of issues, challenges, lessons and solutions, (iii) planning workshops, (iv) project learning days, (v) a newsletter to be shared with all stakeholders, etc. The KM strategy will include a KM action plan that will define the KM objectives, outputs, knowledge and communication products, target audience, responsible persons, the allocated budget, timeline, etc. The KM action plan will be updated annually and the achievements against the plan will be elaborated/analysed and provided as an annex to the semi-annual and annual progress reports.

Knowledge management will be embedded as a continuous and adaptive learning process involving project teams and core stakeholders. It will emphasize experimentation, reflection, documentation, and the dissemination of insights from the field. This approach will encourage teams to refine implementation strategies, scale successful practices, and enhance the effectiveness and impact of project interventions over time.

Annex 1 on M&E – Glossary and definitions of REGEP UP indicators

The following CIs and Project Specific indicators have been included in REGEP UP Logical Framework.

Level	Type	Indicator	Definition	Notes
Outreach	CI	CI 1 Persons receiving services promoted or supported by the project	Refers to the number of new individuals who have received services or participated to activities promoted or supported by the project during the considered period (annual reporting).	if one person received different type of services during the reporting period, it should be counted only once to avoid double counting. If the same person receives services promoted or supported by the project over the years, it should only be counted once. Some years, there may then be no additional outreach (e.g. if the project continues to work only with the same beneficiaries, communities and households. In these cases, the annual value equals zero and the cumulative figure remains the same as the previous year.
		CI 1.a Corresponding number of households reached	Relative to the previous indicator, refers to the number of new households in which at least one member received services or participated to activities promoted or supported by the project, during the considered period (annual reporting).	If two persons belonging to the same household (e.g. the husband and wife) have received direct project support, then this household should only be counted once for annual reporting. If the same families are being supported over the years, they should only be

				counted once. Some years, there may then be no additional outreach (e.g. if the project continues to work only with the same beneficiaries, communities and households). In these cases, the annual value equals zero and the cumulative figure remains the same as the previous year.
		CI 1.b Estimated corresponding total number of households members	Refers to an estimate of the total number of persons in the households supported by the project (as reported under the previous indicator), during the considered reporting period (annual reporting). This estimate is based on the average number of persons per household recorded in the country or, if available, in the project intervention area.	The indicator includes all household members, even those who did not receive project services (e.g. children). The household average size in the rural areas equals 4.7, which will be validated by the baseline survey.
Goal	Project specific	Reduction in the prevalence of food insecurity measured with Food insecurity experience scale (FIES)	- Household Dietary Diversity Score (HDDS) - Food Insecurity Experience Scale (FIES) and its components Food Insecurity Experience Scale (FIES) is experience-based measures of household or individual food security. The FIES-SM questions refer to the experiences of the individual respondent or of the respondent's household as a whole. The questions focus on self-reported food-related behaviors and experiences	Draft Questionnaire for measuring this indicator has been developed and is provided as Appendix .. of the current PIM.

			associated with increasing difficulties in accessing food due to resource constraints. Household dietary diversity Score (HDDS) is a qualitative measure of food consumption that reflects household access to a variety of foods. HDDS is not meant to be used in accessing dietary diversity at individual level. The household dietary diversity score (HDDS) is meant to reflect, in a snapshot form, the economic ability of a household to access a variety of foods.	
	Project specific	Households reporting an increase in resilience measured through the ability to recover from shocks (ATR)	This indicator measures the household's perceived capacity to recover from shocks, adjusted for the severity and number of shocks experienced. It provides a standardized measure that allows comparison across households by correcting for differences in shock exposure. The index reflects both the impact of shocks on income and food consumption, and the household's ability to return to or improve upon their pre-shock status. - Experience with and ability to recover from shocks - Income diversification	Draft Questionnaire for measuring this indicator has been developed and is provided as Appendix .. of the current PIM.

	Project specific	Households experiencing upward economic mobility (proxied by asset indicators i.e. household and productive assets)	Asset index and changes over time: household and productive assets. A common economic mobility indicator is improvement in asset ownership as proxied by an asset ownership index. An asset index as any composite indicator where the underlying variables on which it is based reflect a household's ownership lack thereof) of a range of assets (Filmer and Pritchett 2001). Thus, the asset index is a function of these variables	The ownership of various assets is extracted from the asset roster of the COI questionnaire and adapted to reflect the specific context of Jordan. There are a number of methods by which these questions can be transformed into a composite index that captures wealth or asset ownership. The choice of assets is largely context specific and will be determined in the design of the COI questionnaire. In general, the asset roster should include a variety of assets both common and rare enough to capture variability in wealth across the target population. Further, multiple classes of assets should be asked. Commonly, household/durable good, productive asset, livestock asset and housing asset indices are constructed separately. The asset module is included in module B of the COI questionnaire. To translate the questionnaire results into an asset index, IFAD recommends using data reduction techniques, namely factor analysis (FA), principal components analysis (PCA) and multiple correspondence analysis (MCA), to

				determine the relative weights for each asset entering the index.
Development Objective	Project specific	Small scale farmers and MSMEs reporting at least 20% increase in incomes deriving from agriculture-based activities in the target value chains	Number of small-scale farmers and number of MSMEs reporting about increase in incomes deriving from agriculture related activities compared to baseline situation due to project interventions including water-use efficiency, improved and climate adaptive agricultural practices, improved inputs, and/or technologies, improved access to finance, and markets etc.	Income and Cost Data Recording by Farmers To strengthen the accuracy of project outcome measurement, farmers receiving project support should be encouraged and guided to regularly record data on the following: - Sources of income by activity (e.g. crop production, livestock, processing, off-farm work) - Gross revenues and input costs per activity - Seasonality of income and production cycles - Frequency and volume of sales across the agricultural calendar When analyzing this data, it is important to consider external factors that can significantly influence income streams and profitability, such as: - Market price fluctuations - Climatic and environmental events

				- Policy or regulatory changes - Pest and disease outbreaks These factors should be clearly documented where relevant to contextualize changes in income and better assess the attribution of income gains to project interventions.
	CI	2.2.1 Persons with new jobs/employment opportunities	Number of new full-time or recurrent seasonal on-farm and off-farm jobs created thanks to project activities since project start-up, either as independent individuals (self-employed) or as employees of micro, small and medium-sized enterprises. Jobs created within farmers' organizations that received project support are also included, but temporary jobs created for a limited period (e.g. for road construction) shall be excluded.	Refer to COI Guidelines for COI related methodology sand questions
	Project Specific	Percentage increase in total factor productivity	Total Factor Productivity (TFP) measures the efficiency with which all inputs (land, labor, capital and inputs like seeds or fertilizers) are transformed into output.	TFP = Total value of Output/Total value of inputs Total Value of Output is often measured as revenue or gross output (price × quantity). Total Value of Inputs includes the aggregated value of all inputs used (wages, equipment costs, input prices, etc.), often weighted by their contribution (cost share).

				The M&E team will need to collect data on the value of outputs and value of inputs from the beneficiary farmers on an annual basis. Output Data (Total Value of Output) Collect data on all agriculture-based outputs produced by the household during the reference period (annual): - Types of products (e.g. crops, livestock products, processed goods) - Quantity produced (kg, liters, etc.) - Unit selling price or estimated market value if not sold - Total sales revenue (quantity × price) - Own consumption (estimated market value) - Other uses (gifts, bartered, wasted, etc. – valued if possible) Input Data (Total Value of Inputs) Gather data on all inputs used in the production process, including family labor and owned capital: a. Labor Inputs

				• Hired labor (wages paid, days/hours worked) • Family labor (estimate value using local wage rates × time) b. Land Inputs • Land size used (hectares) • Land rental value (if applicable) • Opportunity cost of own land (estimated rental equivalent) <i>Example - Household owns 2 hectares of land.</i> <i>Local rental rate = USD 200 per hectare per year.</i> <i>Value of land input = 2 × 200 = USD 400</i> c. Capital Inputs • Machinery and equipment used (value of usage or depreciation) • Irrigation infrastructure (cost share, water fees) • Buildings/storage facilities (depreciation or rental equivalent) d. Intermediate Inputs • Seeds and seedlings

				• Fertilizers and pesticides • Animal feed, veterinary services • Fuel, electricity, water • Packaging materials, post-harvest services
Outcome 1.1	CI	1.2.3: Households reporting reduced water shortage vis-à-vis production needs	Beneficiary households interviewed who claim that they now have enough water for crop, aquaculture and livestock production during dry-spells and the dry season. This indicator monitors the improvement in water availability; the results could be driven as much by improved technology (more water-efficient) or less water-demanding crop varieties, as by greater water availability. These are equally important in the water-stressed environments in which many of IFAD's target group are living. Water mobilization has a natural limit depending on hydrology and climate zones, which, in dry areas, makes water-use efficiency equally important for sustained productive capacity.	Refer to COI Guidelines for COI related methodology and modules
	CI	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices	Project beneficiaries who were trained in environmentally sustainable practices and/or the management of climate-related risks, and who claim that: (a) they have fully mastered these practices; and (b) they are now routinely using these technologies and practices.	Refer to COI Guidelines for COI related methodology and modules

	CI	3.2.1 Tons of Greenhouse gas emissions (tCO ₂ e) avoided and/or sequestered	This indicator captures whether the project has the potential (or has succeeded) to avoid or sequester greenhouse gas emissions as a result of the introduction and uptake of mitigation technologies and practices. As an outcome indicator, it is not measured annually, but rather three times in a project's lifetime: at design (ex-ante), at midline (partially ex-post) and at endline (ex-post). Results are updated based on the latest projection. Each projection covers the same 20-year time horizon (from project start, described below) and becomes more accurate, on the basis of activities actually completed.	This indicator shall be measured with internationally recognized GHG accounting tools such as FAO's EX-Ante Carbon-balance Tool (EX-ACT). Technical support, data input and analysis for measurement will be provided by IFAD's Environment, Climate, Gender and Social Inclusion (ECG) Division through the FAO-IFAD grants to support GHG accounting. The M&E system shall ensure the availability of the following data : Ha of land under infrastructures and irrigation improvement ; Ha of land which were converted with new practices such intercropping or degraded land rehabilitated through fruit trees cultivation, Ha of crop Land under climate soil and water conservation techniques and/or organic practices ; Ha of land under new irrigation system and improved irrigation management including type of irrigation system, Energy use for all assets provided by the grants to be shared by the IFAD ESG Division to ensure data availability in the system necessary for the assessment of CI 3.2.1.

	Project specific	Increase in crop value/unit of water	This indicator measures the change in the economic return (value) derived from crop production per unit of water used, reflecting improvements in water productivity over time. The increase in the value (in local currency or USD) of crop output per cubic meter of water used, compared to a baseline period.	Crop value per unit of water= $\frac{\text{Total value of crop output (USD or JOD)}}{\text{Total volume of water used (m}^3\text{)}}$ Key components: - Total value of crop output: Market value of all harvested crops (may use farm-gate prices). - Total volume of water used: Includes all sources—irrigation (surface, well, drip) and rainwater, if applicable. - Unit: USD or JOD per cubic meter (e.g., 1.25 USD/m³).
Output 1.1.1	CI	1.1.2 Farmland under water-related infrastructure constructed/rehabilitated	The number of hectares of farmland under water-related infrastructure constructed/rehabilitated measure the irrigation potential created, or the area that can be irrigated annually by the quantity of water that could be made available by all the connected and completed works up to the end of the water courses or the last point in the water delivery system. Water-related infrastructure includes dams and ditches, irrigation and drainage infrastructure, infrastructure for rainwater harvesting (at field level), wells and other	Refer to COI Guidelines for COI related methodology and modules

			water points, etc. constructed or rehabilitated with support from the project. Hectares under water-related infrastructure constructed/rehabilitated then include: Hectares of farmland under new/improved irrigation systems. Refers to the area, in hectares of farmland, located in the command area of the irrigation and drainage infrastructure that has been newly constructed or rehabilitated by the project during the considered period (annual reporting). The indicator does not attempt to measure the actual area of farmland that has been irrigated in the considered period, although it is recommendable that projects with large irrigation and drainage investments measure this important aspect. - Hectares of direct catchment area (up to 100 km²) of irrigation systems under conservation to protect the water source and reduce sediment removal costs with project support during the considered period. - Hectares of farmland under new complementary micro-irrigation systems connected to rainwater-harvesting infrastructure, or wells or other water points, constructed/rehabilitated by the project during the considered period (annual reporting).	

	CI	3.1.4 Land brought under climate-resilient management	Land in which activities were undertaken to restore the productive and protective functions of the land, water and natural ecosystems and/or reverse degradation processes with a view to building resilience to specific climate vulnerabilities during the considered period (annual reporting). Examples of climate-resilient practices or adaptation investments that reverse the process of degradation and protect agricultural land and production infrastructure include targeted farm and landscape management practices (e.g. reforestation, afforestation, improved rangeland management, watershed management, erosion control, agroforestry, removal of non-native species and weeds, reintroduction of native species); soil and water conservation infrastructure (terraces and other contour bunds and natural hedges constructed/planted or rehabilitated with project support, preventing soil erosion and sustaining soil moisture); the establishment and management of ecological buffer zones to reduce the impact of climate hazards (e.g. mangrove greenbelts, sand dunes, flood retention zones, storm breaks, groundwater recharge zones, shelter belts); and the establishment of protected areas and biodiversity corridors to restore the	Refer to COI Guidelines for COI related methodology and modules

			biological diversity and ecosystem services of endangered landscapes.	
		CI 3.1.3: Persons accessing technologies that sequester carbon or reduce greenhouse gas emissions	Individuals who, during the period considered (annual reporting), were provided with access to renewable energy sources and/or more energy-efficient technologies helping to reduce carbon emissions and secure carbon sequestration through the enhancement and protection of carbon stocks in the biomass, both above ground (e.g. conservation/restoration of degraded ecosystems) and below ground (in soil organic matter). Individuals who received advice or training during the period considered with a view to changing their land-use practices in the forestry and agricultural sectors (e.g. improved livestock and manure management) should also be included.	Data are collected by project M&E staff and recorded in the project M&E system. It is also input in ORMS at least once a year. Data to be collected by service providers (if technical packages are provided by external entities) or by project staff (if the support is provided by them).
Outcome 1.2	CI	1.2.4 Households reporting an increase in production	Beneficiary households interviewed who claim that project-supported activities (e.g. training, input provision) have helped them increase the quantity of key crops/plants (aromatic/medicinal plants) harvested as a result of better yields (i.e. quantity of crop/plant harvested per unit of land area) or an increase in cropped/planted area, compared to the pre-project situation. For cereals, grain and legumes, production is normally measured in metric tons or	Refer to COI Guidelines for COI related methodology and modules

			kilograms. May also refer to an increase in livestock production (e.g. increased milk production, reduced animal mortality, improved fertility).	
	CI	1.2.2 Households reporting adoption of new/improved inputs, technologies or practices	Beneficiary households interviewed claim that: (a) they are fully satisfied with the inputs, practices or techniques promoted; and (b) they are now using those inputs, practices and technologies instead of previous ones.	The inputs and practices should be adapted and contextualized to the project during project implementation, when the training topics and specific inputs (e.g. grants) are defined. Refer to COI Guidelines for COI related methodology and modules.
	Project Specific	Households reporting at least 20% reduction in post-harvest losses for target value chain commodities	This indicator measures the number or proportion of beneficiary households that report experiencing a minimum 20% reduction in post-harvest losses (compared to baseline levels) for commodities within the targeted value chains as a result of project interventions. Post-harvest losses refer to the quantitative reduction in agricultural produce from the time of harvest until consumption or sale, due to factors such as poor handling, inadequate storage, processing inefficiencies, or spoilage. Reduction in post-harvest losses may be attributed to:	Data are collected through COI surveys. The questionnaire will be developed by the service provider conducting the survey.

			- Improved post-harvest handling practices (e.g., sorting, drying, packaging) - Use of better storage facilities or containers - Adoption of processing techniques that extend shelf life - Access to cold chains or improved transport - Training in food safety or quality management	
	CI	1.2.8 Women reporting minimum dietary diversity (MDDW)	Women surveyed claiming that they are consuming a diversified diet, which means that they are consuming at least 5 out of 10 prescribed food groups. It is a proxy indicator to judge adequacy of micronutrient (e.g. vitamins, minerals) consumption by women. It is also a proxy to gauge the adequacy of nutrition intake of the household members. MDDW is expected to provide a broader picture of a household's nutrient intake, taking into consideration that in most societies women are more likely to be nutritionally vulnerable because of their disadvantaged position in relation to intra-household distribution of nutritious foods in resource-poor settings, which are the primary targets for IFAD operations. Additionally, women, and in particular women of reproductive age (15-	Refer to COI Guidelines for COI related methodology and modules In particular: - Ensure the list of examples within each category is adapted to local context. - Ensure enumerators are familiar with local dishes; If the respondent mentions a mixed dish, ask for all ingredients and continue asking until the respondent says 'nothing else'.

			49 years), are more vulnerable due to their higher physiological demand for nutrients compared to adult men.	
	CI	IE.2.1: Individuals demonstrating an improvement in empowerment (IFAD empowerment index)	IFAD's empowerment indicator is an index that IFAD has developed building on the project-level Women's Empowerment in Agriculture Index (pro-WEAI) developed by IFPRI, OPHI and USAID. Similarly to the pro-WEAI, IE2.1 reflects a framework of empowerment²⁶ in which empowerment is a process of change on the interrelated dimensions of resources, agency, and achievements. This indicator focuses on measuring agency, i.e. the ability of individuals, who were unable to do so previously, to make strategic choices. (Malapit, et al, 2019). IFAD's empowerment indicator aims at measuring individuals empowerment in the communities where IFAD's projects are implemented, in the domains relevant to IFAD's operations. IE 2.1 includes 10 out of the 12 dimensions for the pro-WEAI, focusing on those IFAD can influence through its supported activities. Each dimension is mapped to one of three domains of empowerment: intrinsic agency (power within), instrumental agency (power to), and collective agency (power with) which are linked to the definition of empowerment.	Refer to COI Guidelines for COI related methodology and modules

			Dimensions' mapping is as follows: - Intrinsic agency: Autonomy in income, Self-efficacy and Attitudes about intimate partner violence. - Instrumental agency: Input in productive decisions, Ownership of land and other assets, Access to and decisions on financial services (if any provided by IFAD supported project), Control over use of income and Work balance. - Collective agency: Group membership and Membership in influential groups. <i>The indicator must be disaggregated by sex in order to compare empowerment between women and men.</i>	
	CI	SF.2.1 Households satisfied with project-supported services	Households reporting that they: (a) easily accessed or used the services provided by the public/private entities supported by the project, and (b) were satisfied with the quality of the services provided by the public/private entities supported by the project. The indicator aims at determining whether the main services delivered by the public/private entities supported by the project adequately meet target groups' productive/business/employment/livelihood needs. The indicator indirectly assesses (1) the responsiveness of the project in	Refer to COI Guidelines for COI related methodology and questions

			reflecting target groups' views and needs during the design, delivery and adaptation of services, and (2) the impact of the project's capacity building support to the service providers towards improving their service delivery capacities.	
	CI	SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers	Households that participate in project-supported groups/organizations reporting that: (a) they have influence over decisions taken in the project-supported group/organization in which they participate; and (b) the project-supported group/organization they participate in can influence decision-making of local authorities and project-supported service providers.	Refer to COI Guidelines for COI related methodology and modules
Output 1.2.1	CI	1.1.4 Persons trained in production practices and/or technologies	Number of persons who have been trained at least once in improved or innovative production practices and technologies during the considered period (annual reporting). Training and capacity development may be provided in a variety of forms: participation in community mapping of natural resources, participation in a farmers' field school, field demonstrations, training in livestock immunization, etc.; and for various durations (a full day training conducted outside the trainees community, training of extension officers in a district centre;	Information is to be collected by service providers or external trainers (if training sessions are outsourced) or by project staff (if training is provided by them). Data are collected by project M&E staff and recorded in the project M&E system. It is also input in ORMS at least once a year. Notes: If the same person has been trained more than once on the same topic (whether within the same year or spreading over several years), as part of a multi session training, he/she should be

			shorter sessions conducted within the trainees' community/village, regular short classroom training, or on-the-job or in-field training. Training topics may concern crop production (e.g. cultivation practices, participatory varietal selections, use of improved seeds, soil fertility practices and technology, efficient water use, micro-irrigation, agroforestry practices, proper plant protection, or enhancing produce quality); livestock production (e.g. milking and milk handling, slaughtering, animal nutrition, disease prevention and veterinary practices, animal husbandry).	counted only once in order to avoid double-counting of beneficiaries.
	Project Specific	Persons trained in small-scale home processing	Number of individuals who have received training focused on techniques, practices, and standards for processing agricultural or food products at the household or micro-enterprise level. <i>Training topics may include:</i> - Food preservation (drying, pickling, fermenting) - Basic hygiene and food safety - Packaging and labeling - Value addition (e.g., making jams, juices, dairy products) Storage and shelf-life extension	Data are collected by project M&E staff and recorded in the project M&E system. Data to be recorded by service providers or external trainers (if training sessions are outsourced).

	Project Specific	Persons trained in post-harvest handling	This indicator refers to the number of individuals who have completed training sessions focused on post-harvest handling practices that aim to reduce losses, maintain quality, and improve the marketability of agricultural products. The training may include the following areas: - Appropriate harvesting techniques - Cleaning and sorting - Grading and packaging - Drying and curing - Storage methods (e.g., cold storage, improved silos) - Transportation and logistics - Basic processing and preservation - Food safety and hygiene practices - Traceability and record-keeping	Data are collected by project M&E staff and recorded in the project M&E system. Data to be recorded by service providers or external trainers (if training sessions are outsourced).
	Project Specific	Processing and storage facilities rehabilitated and equipped	This indicator refers to the number of agro-processing and/or storage facilities that have been rehabilitated and/or equipped with improved infrastructure, machinery, or technologies through project support, in order to enhance post-harvest management, value addition, and reduce losses in targeted value chains.	Data are collected by project M&E staff and recorded in the project M&E system.
	CI	2.1.2 Persons trained in income-generating	Persons who during the considered period, have received training in topics related to income-generating activities, including	Data are collected by project M&E staff and recorded in the project M&E system.

		activities or business management	post-production handling, processing and marketing. Such activities include cheese-making, small-scale processing of fruit, meat and milk products, conservation of agricultural products, agro-processing techniques, handling in compliance with safety (use of chemicals, pesticides) and other quality requirements, packaging, market information and procedures. Business management training includes organizational management, accounting and bookkeeping, cash flow management and marketing.	Data to be recorded by service providers or external trainers (if training sessions are outsourced) or by project staff (if training is provided by them). <i>Note: If the same person has been trained more than once on the same topic (whether within the same year or spreading over several years), as part of a multi-session training, he/she should be counted only once in order to avoid double-counting of beneficiaries.</i>
	CI	CI 2.1.1: Rural enterprises accessing business development services	Rural enterprises that have accessed business development services promoted by the project during the considered period. Rural enterprises are structured businesses that have a well-defined physical location, normally with legal status, a bank account and some employees. They include pre-entrepreneurial activities such as self-employment initiatives, and microenterprises with semi-structured activities. Both formal and informal enterprises can be considered, only upstream and downstream activities (processing, marketing) are to be included but production activities are excluded. As generally defined, business development services aim to improve the performance of the enterprise, its market	Data are collected by project M&E staff and recorded in the project M&E system.

			access and its ability to compete. They include an array of services such as training in income-generating and value-adding activities, organizational management, consultancy and technical advice, business planning, marketing and market research, technology development and transfer, facilitation of linkages with traders, or product quality control or certification. Such services may be strategic (addressing medium to long-term issues that improve performance) or operational (day-to-day issues). Project-facilitated financial support (e.g. equity support, start-up financing, venture capital, insurance mechanisms) should not be reported here.	
	CI	1.1.8 Households provided with targeted support to improve their nutrition	It refers to the number of people that have directly participated in project-supported activities designed to help improve nutrition during the considered period. Note that the nutrition-sensitive activities are not generic but that they are tailored to address context based nutrition problems. Activities may include people participating in nutrition related trainings, exchange visits, behaviours change communication campaigns, integrated food production, infrastructure (e.g. drinking water and sanitation), homestead food production, technical assistance on the use of inputs	Information is to be collected by service providers or project staff in charge of the supervision/implementation of nutrition programme or activities. Data are collected by project M&E staff and recorded in the project M&E system. Notes: <i>Service providers' or staff records should also track the following data: date of activity, type of activity, total persons participating in the activity disaggregated by gender, age and indigenous people, and households reached, disaggregated</i>

			and technologies intended to improve nutrition outcomes (e.g. bio-fortified seeds, small livestock, labour-savings implements/technologies), socio-cultural related issues impacting on nutrition outcomes etc.. Also note that based on the typology of the nutrition-activity, they may target household members and not individuals e.g. backyard poultry or vegetable gardens. It is important to note that not all nutrition-sensitive activities will be reported under this indicator. For example, mass media campaigns (e.g. radio) and/or other open sessions where it is difficult to quantify the number of people reached should be excluded. While counting beneficiaries, care should be taken not to double count individuals or households benefiting in more than one activity or the same activity more than once in the same year.	<i>by women headed households and nonwomen</i> <i>headed households. Should the activity benefit other members in the household not directly participating in the activity, the project should report on the number of household members benefited (e.g. backyard poultry or vegetable garden, school gardens).</i>
Output 1.2.2	CI	1.1.3 Rural producers accessing production inputs and/or technological packages	Refers to farmers, livestock owners or other rural producers who received support to access production inputs (e.g. chemical or organic fertilizers, pesticides, improved seeds, stocked livestock, veterinary medicines, etc.) or technological packages (e.g. processing equipment, farming tools, animal health and artificial insemination	Information is collected by service providers (if inputs/technical packages are provided by external entities) or by project staff (if the support is provided by them). Data are collected by project M&E staff and recorded in the project M&E system.

			kits, drip irrigation systems, etc.) thanks to project interventions. Such inputs or technological packages and options may be provided on a free basis, or against some beneficiary contribution.	<i>Note: If the same person has received more than one input/technological package during the considered period, he/she should be counted only once in order to avoid double-counting of beneficiaries.</i>
	Project Specific	Value of matching grants for value chain enhancement, investments, innovation and climate resilience	This indicator measures the total monetary value (in USD) of matching grants disbursed to eligible beneficiaries to support investments that enhance value chains, promote innovation, and strengthen climate resilience.	The information is collected by the grant management unit and the M&E unit.
	Project Specific	Value of grants for production and small-scale processing	This indicator captures the total monetary value (in USD) of grants disbursed by the project to support on-farm production and small-scale processing activities among targeted beneficiaries, such as smallholder farmers.	The information is collected by the grant management unit and the M&E unit.
Outcome 2	CI	1.2.5 Households reporting using rural financial services	Beneficiary households interviewed who state that they are fully satisfied with and are using the financial products and services facilitated by the project, in order to invest in a productive or income-generating activity (i.e. as opposed to being used for consumption or other non-productive purposes).	Refer to COI Guidelines for COI related methodology and modules <i>Note: The outcome survey could also ask questions on the main use made of the financial services received.</i> <i>Data can also be collected at FSP level and then used for triangulation. The FSPs should submit their “usage” indicator (typically “Number of active clients or</i>

				accounts")
	CI	1.2.6: Partner financial service providers with portfolio-at-risk ≥30 days below 5%	Portfolio-at-risk (PAR) denotes the risk to a loan portfolio from potential defaults. The lower the percentage, the healthier and less risky the loan portfolio and the safer an individual's savings are. The indicator expresses the value of outstanding loans that have at least one instalment overdue by more than 30 days, as a percentage of the value of the entire portfolio of all outstanding loans. The outstanding value of all renegotiated loans, including rescheduled and refinanced loans, should be included because they have higher than normal risk, especially if a payment is missed after renegotiation. The calculation for PAR ≥ 30 days is as follows: $\frac{\text{Outstanding balance of all loans with a payment more than 30 days overdue} \times 100}{\text{Gross loan portfolio}}$ A PAR ≥ 30 days below 5% is generally considered a desirable benchmark denoting good performance by the FSPs in question.	This ratio should be calculated by the PFIs/ACC themselves, which should routinely track outreach numbers on loans and other basic data on their gross loan portfolio. The percentage of partner PFIs should be the proportion of partner PFIs supported since project start-up reporting PAR ≥ 30 days below 5%.
Output 2.1	Project Specific	Value of loans to Micro, Small, and Medium Enterprise	This indicator measures the total monetary value (in USD) of loans disbursed to micro, enterprises and SMEs supported by the project over a defined period. These loans	The information is collected by the PFIs, ACC and the JEDCO.

			are provided through partnering financial institutions.	
	CI	1.1.5: Persons in rural areas accessing financial services (credit)	This refers to the number of individuals who have accessed a financial product or service specifically promoted/supported by the project and its partner financial service provider (FSP), at least once during the considered period (annual reporting). Such services include loans and micro-loans. Note: When rural enterprises access financial services promoted/supported by the project, only owners and co-owners of enterprises receiving financial services are counted as persons accessing services. This also applies to Outreach CI 1: Persons receiving services promoted or supported by the project: only owners and co-owners of enterprises are counted as persons receiving services.	Data are collected by project M&E staff and recorded in the project M&E system. Importantly, when the data is provided by partner FSP, these should track the numbers of rural clients separately from the outreach numbers of other clients they may service.
	CI	1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services	Refers to the individuals in rural areas who received capacity-building from the project, during the considered period, enabling them to acquire the knowledge, skills and confidence to make responsible financial decisions or handle household economics and investments more effectively. Financial literacy programmes usually cover topics such as basic numeracy training, budgeting, saving or credit management.	Information is to be collected by service providers or external trainers (if training sessions are outsourced) or by project staff (if training is provided by them). Data are collected by project M&E staff and recorded in the project M&E system. <i>Note: If the same person has been trained more than once on the same topic (whether within the same year or spreading over several years), as part of a multi session training, he/she should be</i>

				<i>counted only once in order to avoid double-counting of beneficiaries.</i>
Output 2.2	CI	1.1.6: Financial service providers supported in delivering outreach strategies, financial products and services to rural areas	Refers to financial service providers (FSPs) that have received project support during the considered period, to develop an outreach strategy, or to deliver products and services that are adapted to the needs and repayment capacities of the rural poor and other project beneficiaries. A new outreach strategy refers to any type of formalized plan for an FSP's rural finance operations, including business plans or action plans to improve outreach and the inclusion of the rural poor. Other types of support to be considered include budget support, staff training, studies and technical assistance. Financial products and services for REGEP-UP include credit.	Information is to be collected from routine M&E activities. Data are collected by project M&E staff and recorded in the project M&E system. Project records should track the support provided to partner FSPs and their networks (in particular the type and date of support). FSPs should track the number of local branches and offices benefiting from this support and/or providing services to project target groups.
Outcome 3	CI	Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment	Number of existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment	Data for this indicator can be collected in the relevant legal in-country institutions or through qualitative surveys administered to relevant stakeholders.
Output 3.1	CI	Policy 1: Policy-relevant knowledge products completed	Policy analyses, research papers, working papers, studies, strategies, pieces of legislation, by-laws or other policy-related material produced as part of the project's policy goals.	Data for this indicator can be collected in the relevant legal in-country institutions or through qualitative surveys administered to relevant stakeholders.

Annex 2–Draft Questionnaire for the indicator “Households reporting an increase in resilience measured through the ability to recover from shocks (ATR, online excel version [here](#))

H.1a.	H.1b.	H.2.	H.2.1.	H.2.3.	H.2.3.	H.3.	H.4.	H.5a.
12.01	12.02	12.03	12.04	12.05	12.12	12.13	12.14	12.15
Since January 2025, has your [TYPE] been affected by any of the following shocks?	Since January 2025, how many times has your [TYPE] been exposed to [SHOCK]?	Since the most recent [SHOCK] your [TYPE] experienced, would you say that your [TYPE]'s earnings, food production or belongings did go ...	Was any livestock lost due to the most recent [SHOCK]?	How many cattle were lost due to the most recent [SHOCK]?	How many other livestock were lost due to [SHOCK]?	In which year did the most severe instance of [SHOCK] occur / start since January 2025 ?	In comparison to before this worst [SHOCK] occurred, is your [TYPE] doing	During the last 12 months, did your [TYPE] experience the shock: [SHOCK] ?
	CATI RANGE: MIN 1 MAX 50	1 down a lot? 2 down somewhat? 3 about the same? 4 up somewhat? 5 up a lot?	1 YES 2 NO 12.13	CATI RANGE: MIN 0 MAX 10,000	CATI RANGE: MIN 0 MAX 10,000 CATI VALIDATION: IF 12.05+12.12=0 BLOCKING MESSAGE Check the number of livestock lost	1 2023 2 2022 3 2021 4 2020 5 2019 6 2018 7 2025 98 DON'T KNOW	1 Much worse than before 2 A little worse? 3 The same, no change? 4 A little better? 5 A lot better?	1 YES 2 NO
CATI: CHECK LIST								
SHOCK	QUANTITY	CODE	CODE	QUANTITY	QUANTITY	CODE	CODE	CODE
a Drought								
b Floods								
c Frost								
d Landslide								
e Earthquake								
f Unusually high level of livestock disease								
g Unusually high livestock deaths / mortalities								
h Unusually high level of crop pests or disease								
i Crop failure (zero crop harvest)								
j Unusually high costs for agricultural inputs								
k Unavailability of agricultural inputs								
l Unusually low prices for dairy products (milk, cheese)								
m Unusually high prices for food								
n End of regular assistance / aid / remittances from family								
o Loss of (non-agricultural) employment (Not due to COVID)								
p Reduced income of a household member (not due to COVID)								
q Serious illness or accident of household member(s)								
v Any other shock								
w NONE								

		CATI: SHOW OPTIONS IF EXIST IN 12.01	
H.6.	12.16	Since January 2025, of the shocks that have affected your [TYPE], which caused the most negative impacts?	
		1	DROUGHT
		2	FLOODS
		3	FROST
		4	LANDSLIDE
		5	EARTHQUAKE
		6	UNUSUALLY HIGH LEVEL OF LIVESTOCK DISEASE
		7	UNUSUALLY HIGH LIVESTOCK DEATHS / MORTALITIES
		8	UNUSUALLY HIGH LEVEL OF CROP PESTS OR DISEASE
		9	CROP FAILURE (ZERO CROP HARVEST)
		10	UNUSUALLY HIGH COSTS FOR AGRICULTURAL INPUTS
		11	UNAVAILABILITY OF AGRICULTURAL INPUTS
		12	UNUSUALLY LOW PRICES FOR DAIRY PRODUCTS (MILK, CHEESE ETC)
		13	UNUSUALLY HIGH PRICES FOR FOOD
		14	END OF REGULAR ASSISTANCE / AID / REMITTANCES FROM OUTSIDE HOUSEHOLD
		15	LOSS OF (NON-AGRICULTURAL) EMPLOYMENT (NOT DUE TO ILLNESS OR ACCIDENT)
		16	REDUCED INCOME OF A HOUSEHOLD MEMBER (NOT DUE TO ACCIDENT OR ILLNESS)
		17	SERIOUS ILLNESS OR ACCIDENT OF HOUSEHOLD MEMBER(S)

Annex 3–Draft Questionnaire for the indicator “Reduction in the prevalence of food insecurity measured with Food insecurity experience scale (FIES)”

				G1.1.			G1.3.						
				11.01			11.02						
				Did your household eat or drink [FOODITEM], in the last 7 days?			In the last 24 hours has your household consumed [FOODITEM] in any quantity?						
				1	YES			1	YES				
				2	NO			2	NO				
				3	REFUSES			3	REFUSES				
	FOODITEM			CODE			CODE						
a	CEREALS (Ex. Bread, scone, noodles, pasta, biscuits, cookies or any other foods made from millet, maize, rice, wheat)												
b	VITAMIN A RICH VEGETABLES AND TUBERS (Ex. Pumpkins, carrots, squash / scallop, cabbages, tomatoes, red peppers)												
c	WHITE TUBERS AND ROOTS (Ex. White potatoes, small radish, white radish, garlic, onion, or foods made from roots)												
d	DARK GREEN LEAFY VEGETABLES (Ex. dark green / leafy vegetables, lettuce, celeriac, parsley, dill, basil, dock broccoli, sea cabbage, including wild ones)												
e	OTHER VEGETABLES (Ex. Egg plants, yellow peppers, sweet peppers) including wild vegetables)												
f	VITAMIN A RICH FRUITS (Ex. Apricots, melons, watermelons, cherryplums, grapefruits, mangoes, plums)												
g	OTHER FRUITS (Ex.peaches, apples, pomegranates, kiwis, oranges, mandarins, bananas, grapes, persimmons, figs, quinces, lemons, cherries, dates. Including wildfruit sandberries)												
h	MEAT (Ex. Beef, pork, lamb, goat, rabbit, wild game, chicken, duck, or other birds, liver, kidney, heart or other organ meats or blood-based foods.)												
i	EGGS (Ex.Chicken eggs, quail eggs)												
j	FISH (Ex.Fresh or dried fish or shellfish)												
k	LEGUMES, NUTS AND SEEDS (Ex.Beans, peas, lentils, nuts, seeds or foods made from these, sunflower seeds, pumpkin seeds, walnuts, peanuts, pistachios)												

I	MILK AND MILK PRODUCTS (Ex. Milk, cheese, yogurt or other milk products)																		
m	OILS AND FATS (Ex. Oil, fats or butter added to food or used for cooking)																		
n	SWEETS (Ex.Sugar, honey, sweetened soda or sugary foods such as chocolates, sweets or candies)																		
o	SPICES AND CAFFEINATED BEVERAGES (Ex.Spices, coffee , tea.)																		
p	ALCOHOLIC BEVERAGES																		
		Now I would like to ask you some questions about food. During the last 12 MONTHS, was there a time when ...																	
G2.1.	11.03	You were worried you would not have enough food to eat because of a lack of money or other resources																	
			1	YES															
			2	NO															
			3	DON'T KNOW															
			4	REFUSE TO ANSWER															
G2.2.	11.04	Still thinking about the last 12 MONTHS, was there a time when you were unable to eat healthy and nutritious food because of a lack of money or other resources																	
			1	YES															
			2	NO															
			3	DON'T KNOW															
			4	REFUSE TO ANSWER															
G2.3.	11.05	You ate only a few kinds of foods because of a lack of money or other resources																	
			1	YES															
			2	NO															
			3	DON'T KNOW															
			4	REFUSE TO ANSWER															

G2.4.	11.06	You had to skip a meal because there was not enough money or other resources to get food															
			1	YES													
			2	NO													
			3	DON'T KNOW													
			4	REFUSE ANSWER	TO												
G2.5.	11.07	Still thinking about the last 12 MONTHS, was there a time when you ate less than you thought you should because of a lack of money or other resources															
			1	YES													
			2	NO													
			3	DON'T KNOW													
			4	REFUSE ANSWER	TO												
G2.6.	11.08	Your household ran out of food because of a lack of money or other resources															
			1	YES													
			2	NO													
			3	DON'T KNOW													
			4	REFUSE ANSWER	TO												
G2.7.	11.09	You were hungry but did not eat because there was not enough money or other resources for food															
			1	YES													
			2	NO													
			3	DON'T KNOW													
			4	REFUSE ANSWER	TO												
G2.8.	11.10																

		During the last 12 MONTHS, was there a time when you went without eating for a whole day because of a lack of money or other resources?												
			1	YES										
			2	NO										
			3	DON'T KNOW										
			4	REFUSE TO ANSWER										

Annex 4 – Draft data request form for monitoring the use of IFAD rural finance projects

Table 7. General data on rural finance outreach and loan terms and conditions

IFAD Project	Beneficiary name/Enterprise legal form	Beneficiary/enterprise/co-owner sex and age	Contact details	Category target group	Number of owners/co-owners of rural enterprises			Government	District	Village	Bank/PFI	Loan amount	Beneficiary contribution	Loan interest rate	Loan approval date	Loan financing date	Loan maturity date	Grace period	Type of activity/use of loan *	Type of financing			New jobs created			Borrower repayment rate
					Total ⁴⁹	Male	Female	Young												Investment	working capital+i	Male	Female	Young		

⁴⁹ Total equals sum of male and female.

Annex 5: Software and Hardware Requirements

Survey Solutions software works with Android tablets with the following specifications:

- **Version of Android OS:**
 - Android 7.0 or better is required;
 - All versions of Android below 9.0 are [no longer supported](#) by the manufacturers and correspondingly tablets that can't be updated to Android 9.0 or above should be considered unsafe for the IFAD projects.
- GB
- **Storage:** 8GB of flash memory storage. At least 1GB of available space must be available for Survey Solutions' use. The Survey Solutions software installation package (.apk) is less than 200MB, but more space will be required during the operation of the software. The ultimate requirements for space depend on the kind of survey (questionnaire) and the mode of use of the tablet (number of assignments, simultaneously started interviews, rejections, use of offline maps, audio recording, etc).
- **WiFi** module, which can be used for software setup, upgrades, and synchronization while in the office.
- **3G/4G** connectivity module is required for synchronization from the field.
- **Hardware architecture:** Survey Solutions Interviewer will not be able to display maps on devices based on x86 architecture, for example, on devices based on the *Intel Atom Z3745* chip. This incompatibility is known and will not be fixed. Users installing the Interviewer App on such devices must opt for the version without the maps.

Minimal requirements are not necessarily going to be optimal for a particular application. Better technical characteristics will improve responsiveness of the program and the user experience. Conduct your independent testing before volume purchases of tablets.

Optional:

- **Screen size** 7-8-inch screens are often chosen. Bigger screens consume more power and reduce autonomous work. The choice of the screen depends on the convenience of use with the software and is usually determined experimentally.
- **Android 8.0** or higher is recommended because of [Project Treble](#), which should make it easier for the manufacturers to update produced devices.

9 Draft Terms of References for PCMU Staff

Project Director: Terms of reference

Post Title	: Project Director
Duty station	: Amman, Hashemite kingdom of Jordan
Duration	: 1 year (with possibility of extension up to 2 years, subjected to performance appraisal)
Reporting to	: JEDCO-CEO
Languages required	: Arabic and English
Starting Date	: 01 January 2026
Number of positions	: 1

Background:

cluding youth, women and refugees; and increase the adaptive capacities of local farmers to escalating climate change impacts.

Upscaling will be further achieved by entering into robust partnership with both new and old organisations, all unified in their commitment to foster a climate resilient and inclusive rural development growth trajectory for the rural poor. New co-financiers/partners will include, but not be limited to, the Islamic Development Bank (IsDB) and UN Women, both attracted by the robust outcomes of the REGEP and sharing IFAD's ambitions on delivering impactful rural engagements using a common platform thus reducing both onboarding and wider transaction costs. REGEP-UP has also been designated to form part of the Royal Initiatives that built on Jordan's achievements and implements His Majesty's vision for improving citizens' living conditions.

The project approach is based on:

- (i) Targeting smallholders, rural entrepreneurs and the unemployed and underemployed in rural areas, directly, through existing and new associations, and through MSMEs which create employment in rural areas;
- (ii) Building their technical and business capacity;
- (iii) Increasing access to rural financial services;
- (iv) Building win-win value chain linkages and enhancing access to high value domestic and export market through marketing initiative; and
- (v) Improving, post-harvest handling, quality standards and certification.

, microfinance institution (MFIs) and NGOs/CBOs.

Scope of work

The Project Director will be responsible for the overall implementation, coordination, and management of all REGEUP activities as detailed in the PDR. This includes not only overseeing the PMCU and ensuring activities align with loan agreements (IFAD and IsDB) and project documents, but also providing strategic leadership in areas such as:

Policy Engagement: Actively leading and contributing to policy dialogue, including support for the mid-term review of the National Food Security Strategy and the design of the successor to the National Plan for Sustainable Agriculture.

Knowledge Management: Overseeing the systematic capture, generation, and dissemination of knowledge and lessons learned to inform policy and program governance.

Climate Resilience and Environmental Safeguards: Ensuring the integration and mainstreaming of climate adaptation, water-use efficiency, and environmental and social safeguards (SECAP) across all project components and activities.

Gender Transformative and Youth-Sensitive Approaches: Championing and ensuring the effective implementation of strategies that are gender-transformative and youth-sensitive, meeting the project's demographic targets.

ate sector entities, and NGOs/CBOs..

Main Task and Duties

- Ensuring project implementation aligns with the provisions of loan agreements with both the Government of Jordan and IFAD (and by extension, co-financiers like IsDB), the final project design document, and the Project Implementation Manual.
- Leading the Project Management and Coordination Unit (PMCU) situated in JEDCO/Amman, providing leadership to its multidisciplinary team including specialists in finance, value chains, M&E, policy, grants, rural finance, and procurement.
- Overseeing the preparation and submission of Annual Work Plans and Budgets (AWPBs) in accordance with project agreements and rules.
- Submitting comprehensive project financial and physical progress reports in compliance with Loan Agreements, Government requirements, and the Project M&E system, including reporting to IFAD and other co-financiers.
- Standards.
- Ensuring timely procurement as per IFAD, IsDB, and GOJ regulations.
- Guaranteeing adherence to the project's targeting strategy, ensuring benefits reach poor rural households, vulnerable smallholders, women, youth, and refugees as per PDR targets.
- Ensuring gender and youth dimensions are mainstreamed effectively in all project activities and that benefits are equitable.
- Overseeing the coordination with implementing partners for specific components, such as agricultural extension services for Component 1, and CBJ and ACC for Component 2.
- Managing project risks in line with the Integrated Project Risk Matrix and SECAP Review Note.
- the Donor Coordination Committee.

Reporting:

The Project Director will report directly to the JEDCO CEO and the Project Steering Committee (PSC), chaired by MOPIC. Regular reporting to IFAD and other co-financiers like IsDB and UN Women, as part of the Donor Coordination Committee and through standard progress reports, is also a key accountability.

Required Qualifications and Experience

1. A Graduate degree in Agricultural Economics, agricultural marketing, Agribusiness, or other relevant

subject in the agricultural sector and preferably a postgraduate qualification/MBA.

2. At least 10 years' experience in the areas of smallholder agriculture, value chain/agribusiness development projects or related private sector employment;
3. Institutions particularly those related to agricultural marketing and exports, and ability to communicate with and motivate a wide range of persons, including ministers, senior government officials, private sector Directors, leaders and members of producers and civil society organizations.
4. Initiative, commitment, breadth of vision and capacity for innovative, lateral thinking. He/she should have a clear vision and passion for his/her work and especially that related to linking small holders, and the rural poor, to marketing channels as a means to improve their livelihoods.
5. Leadership and team-building qualities and experience and good communication skills.
6. A good knowledge of computer applications, sound writing abilities and fluency in spoken and written English and Arabic.

Location and time

The location of work will be in Amman and target governorate in the project, also visiting other implementing partners. The project duration is six years. The Project Director's contract will be for an initial one-year period, with the possibility of extension up to the full six years of the project, subject to performance appraisals.

Supervision and deliverables

The Project Director will be supervised from the JEDCO CEO and all reports should be submitted in both language English and Arabic as soft and hard copies, the deliverables are:

- Monthly reports;
- Quarterly reports;
- Progress reports; and
- Any other reports, as requested by the JEDCO CEO and IFAD

ToR: Value Chain Coordinator/Specialist

Roles and activities related to Value Chain Coordinator

The duties and responsibilities of the Agricultural Value Chain Coordinator include:

- Overall management and coordination of Component 1: Value Chain and Enterprise Development activities.
- Working in close cooperation with implementing partners such as NARC, NGOs, JEPA, JSMO and various consultants.
- Reviewing and validating Terms of Reference for consultants undertaking scoping surveys and value chain analysis and ensure delivery of relevant reports and studies.
- Supporting Value Chain Market Development, Promotion, and Value Chain Linkages (Activity 1.2) in collaboration with JEPA and relevant institution/stakeholders. This involves linking JEPA members (exporters, wholesalers) with smallholders in target Governorates who can supply requisite produce.
- Supporting Value Chain Upgrading and Business Model Innovation.
- Involvement in Knowledge Management, Learning, and Policy Support.
- Rural Finance Specialist in the PMCU to facilitate loans and financial services for value chain upgrading investments for producer associations.
- Participating in the Technical Coordination Committee.

Qualifications and Experience

- **Education:** A relevant post graduate degree in agriculture, agricultural economics, business, economics, or rural development).
- ience with donor-funded projects would be an added advantage.
- **Technical Skills:** Strong understanding of agricultural value chain dynamics, market analysis, business development, and potentially climate-smart agricultural practices relevant to value chains. Experience coordinating diverse stakeholders (farmers, private sector, government agencies, NGOs). Possess analytical and strategic planning skills.
- **Language and Communication:** Fluency in both Arabic and English is consistently required for key project roles. Strong communication and interpersonal skills.

Terms of Reference (ToR)

Position Title: Rural Finance Specialist

Location: Project Management Unit (PCMU), JEDCO, Amman

Reports To: Project Coordinator

Contract Type: Full-time

Duration: [Insert duration], with possibility of extension based on performance

I. Background

The main objective of REGEF UP Project is the creation of productive employment and income generating opportunities for the rural poor and vulnerable populations, especially youth and women, while simultaneously mitigating environmental repercussions through a multifaceted approach. The project approach will scale up the successful interventions of the previous phases, taking on board the lessons learned to further increase their effectiveness, value for money, resilience to climate change and overall sustainability.

The Rural Finance Specialist will play a central role in the implementation of **Component 2: Inclusive Rural Finance**, which comprises three subcomponents:

- **Subcomponent 2.1:** Improved access to finance for micro, small and medium enterprises (MSMEs), through the provision of dedicated credit lines for SMEs and microenterprises in rural areas.
- Participating Financial Institutions (PFIs), through capacity building activities in order to strengthen their agricultural and rural lending capabilities.
- **Subcomponent 2.3:** Improved financial literacy among rural populations, especially women and youth, through the development and roll out of financial education interventions.

II. Objectives of the Assignment

Bank of Jordan (CBJ) and the Agricultural Credit Corporation (ACC), respectively; supporting institutional capacity development, and overseeing the financial education activities, in coordination with key partners such as the CBJ, ACC, Jordan Loan Guarantee Corporation (JLGC) and others.

III. Key Responsibilities

1. Planning and Coordination

- Develop and maintain the annual work plan and budget for Component 2 in close coordination with the Project Coordinator.
- Ensure centralized, harmonized management of the SME and microloan credit lines, including reporting, monitoring, and performance tracking.
- Coordinate with the Value Chain Development Manager to facilitate access to financial services and financial literacy activities for producer organizations and value chain actors identified and engaged under Component 1.
- Liaise with JLGC and other stakeholders to promote innovative approaches to expand inclusive rural finance.

2. Credit Line Management

- Oversee the selection and onboarding of Participating Financial Institutions (PFIs), ensuring alignment with project eligibility and performance standards.
- compliance with the project eligibility criteria.

- Monitor disbursements, repayment performance, and impact across both facilities, with disaggregated data by gender, age, agricultural subsector, and governorate.
- Maintain coordination with CBJ and ACC to ensure compliance with eligibility criteria and Component 2 objectives and targets.

3. PFI Capacity Building

- Oversee the recruitment and supervision of consultants or firms delivering training and advisory services to PFIs in accordance with project objectives.
- Support PFIs in developing agriculture-adapted loan products and integrating them into institutional lending policies.

4. Financial Literacy Activities

- **Coordinate the implementation of financial literacy activities, targeting rural populations with a focus on women and youth.**
- **Oversee development and delivery of training materials and sessions, including ToT programs, in coordination with service providers.**
- **Ensure integration of financial literacy into other project activities and collaboration with CBJ and other stakeholders for wider dissemination of materials.**

5. Monitoring, Reporting, and Knowledge Management

- Prepare technical reports, presentations, and briefing notes for internal and external stakeholders, including MOPIC and development partners.
- Document lessons learned, success stories, and case studies for integration into the project's monitoring and evaluation system.
- .

6. Other Duties

- Undertake any other responsibilities assigned by the Project Coordinator necessary for the effective implementation of Component 2.

IV. Qualifications and Skills

- Graduate degree in finance, business administration, economics, or a related field. A postgraduate degree (e.g., MBA or MSc) is preferred.
- At least 7 years of relevant experience in rural finance, microfinance, SME finance, or private sector development.
- Proven experience managing credit lines or financial inclusion initiatives, preferably with donor-funded projects or financial institutions.
- Strong analytical and strategic planning skills, with the ability to manage complex activities and stakeholder relationships.
- Demonstrated ability to coordinate cross-functional teams and communicate with financial institutions and government agencies.
- Fluency in Arabic and English is required (oral and written).
- Proficiency in MS Office (Word, Excel, PowerPoint); experience with financial analysis or MIS tools is an asset.

TOR for Environmental, Social and Climate Safeguards Specialist (consultant)

Background: This section must include the project background, ideally tailored to the specificity of the project

Objective: The Environment & Climate Safeguards Specialist will be responsible for the implementation, monitoring, and reporting of all environment and climate-related safeguards for the project. This will include, when relevant, implementation of the project's Grievance Redress Mechanism (GRM), and any items listed in the Environmental, Social, and Climate Management Framework (ESCMF). You will work in close collaboration with the Gender & Social Safeguards Specialist, as well as the project's Monitoring & Reporting specialist. You will report to the lead of the Provincial Project Management Unit.

Qualifications and Competences:

- Advanced degree in interdisciplinary studies in environmental economics, environmental sciences, environmental management, environmental and social studies, climate studies and social impact, or natural resource management.
- agriculture is required.
- Demonstrated capacity to develop environmental and social management plans, execute safeguards, prescribe solutions to natural resource management problems, as well as prepare reports.
- Fluency in Arabic and excellent written and verbal communication skills in English.
- Good knowledge of social safeguards/norms is desirable.
- Certification or training in environment and social impact assessments/safeguards is desirable.
- Good knowledge of GIS systems with relevant spatial skills for mapping project areas is desirable.

Scope of Work:

- The Environmental and Social Safeguards Specialist (ESS) will be the technical custodian of the ESCMP and other SECAP instruments prepared for the project. He/she will ensure their implementation, monitoring and updating where necessary.

Main tasks and Responsibilities:

- Ensure that SECAP instruments are regularly updated as relevant.
- requirements.
- Provide inputs to the AWPB and ensure that the latter includes SECAP related activities in line with the ESCMP.
- Coordinate environment, climate and safeguards related training/awareness-raising and coordination activities for the PCMU and implementing partners.
- s and procedures (risk screening and assessment).
- Ensuring that IFAD's SECAP guidelines and procedures are complied with at all times and all stages of project implementation.
- red at mid-term and end line.
- Reviewing activity plans and bid documents of implementing partners and contractors, to ensure environmental, climate issues are mainstreamed, and mitigation measures are incorporated and ensure all project documents and environmental documents are in harmony.
- Liaise closely with other relevant government agencies and stakeholders at national and district levels to ensure that the implementation of the sub-projects conform to IFAD and national environmental and social policies.
- Coordinate with relevant agencies for obtaining appropriate environmental permits and or certification/licenses.
- and writing of required reports.
- Collaborate with the Social Inclusion Specialist in reviewing and managing project related sociopolitical and economic related issues.
- Assess the adequacy of the consultation process and the affected communities' broad support to the project.

- Inform project stakeholders, including local communities, of the ESCMP, the GRM and related SECAP requirements.
- Monitor project implementation, and include constraints and lessons learned in its progress and monitoring reports.
- Be the focal person for the project level Grievance Redress Mechanism

Term of Reference for Financial Specialist

Post title: Finance Specialist

Organisation: REGEP-UP

Location: Jordan

Name of Project: REGEP-UP

Duration: One-year renewable

Type of contract: Short term

Closing date: Insert

Background

or with matrix reporting to JEDCO Finance Manager. The CPCMU Finance Specialist will maintain close contact implementing partners and service providers level for the purposes of centralized accounting of all Project activities.

Job Description

- Assist JEDCO's Finance Manager with overall financial management activities of the Project.
- ated Annual Work Plan & Budget (AWPB).
- Work alongside the JEDCO Finance Manager to ensure timely and accurate submission of withdrawal applications and quarterly interim financial reports to IFAD;
- Assist the JEDCO Finance Manager in Preparation and submission of all financial statements, budgets, financial Projections, cash flow forecasts and all other Projects reports as requested by the Project, IFAD and the relevant ministries.
- Prepare specific budgetary documentation, according to Jordanian legislation, issue payment requests and obtain the necessary approvals for finalizing payments to the suppliers/contractors;
- Review and validate Payment requests against approved AWPB and supporting documents;
- Submit payment vouchers to the JEDCO internal auditor / MoF Controller for the purposes of review and approval.
- ly on a regular basis;
- Ensure that all projects' financial transactions (hard and sot copies) are filled properly and on daily basis and easily accessible;
- Monitor actual expenditure and disbursements against allocations for each category;
- Ensure smooth and timely transfer of approved payments for eligible expenditure to Contractors in compliance with FM Manual and Legal Agreement.

- Maintain the master contract register for all contracts issued at CPCMUC level.
- Maintain and update the fixed assets register for the entire Project;
- Maintain and update advance registers and ensure timely clearances;
- Prepare on monthly bank reconciliations.
- Follow up and maintain an up to date records on in-kind contributions;
- Occasional field visit to implementing partners to support accountants if needed.
- Perform other duties, of financial nature which pertains to the implementation of the Project, as may be requested by the Project Director and Finance Manager.

Qualifications and Experience

- ✓ alification.
- ✓ A minimum of 10 years professional experience with at least 5 years experience in accounting and financial management.
- ✓ The candidate would be expected to have a thorough understanding of accounting practices, for internationally funded projects. Familiarity and experience in use of accounting software is a must.
- ✓ Good command of Arabic and English, both oral and written
- ✓ Prior experience working with donor-funded Projects.
- ✓ Good knowledge of Microsoft Office.
- ✓ Ability to work in team and multi-tasking.
- ✓ Good communication skills.
- ✓ Ability to work with multi stakeholders, including government agencies, , and community.
- ✓ Professional and personal endurance and commitment to complete complex assignments efficiently and effectively in a high demanding working environment.

The initial contract will be for one year with six-month probation, period, renewable every year on continued satisfactory performance.

Term of Reference for Accountant

Post title: Accountant

Organisation: REGEP-UP

Location: Jordan

Name of Project: REGEP-UP

Duration: One-year renewable

Type of contract: Short term

Closing date: Insert

Background

ntact implementing partners and service providers level for the purposes of centralized accounting of all Project activities.

Job Description

- Assist the Finance Specialist with financial management activities of the Project.
- Support preparation of consolidated Annual Work Plan & Budget (AWPB).
- Review monthly transactions of the implementing partners.
- ers and record related transactions in the accounting system/respective sheets, using appropriate cost categories /components /sources of finance.
- Review and validate Payment requests against approved AWPB and supporting documents;
- Submit payment vouchers to the JEDCO internal auditor / MoF Controller for the purposes of review and approval.
- Operate and maintain the financial management software system related to accounting and financial management by ensuring that all financial transactions are entered into the system; accurately on a regular basis;
- Ensure that all projects' financial transactions (hard and sot copies) are filled properly and on daily basis and easily accessible;
- Monitor actual expenditure and disbursements against allocations for each category;
- Ensure smooth and timely transfer of approved payments for eligible expenditure to Contractors in compliance with FM Manual and Legal Agreement.
- Maintain the master contract register for all contracts issued at central level.
- Maintain and update advance registers and ensure timely clearances;
- Prepare monthly bank reconciliations.
- Follow up and maintain an up to date records on in-kind contributions;

- Perform other duties, of financial nature which pertains to the implementation of the Project, as may be requested by the Finance Specialist.

Qualifications and Experience

- ✓ An acceptable accounting and finance qualification.
- ✓ A minimum of 5 years professional experience with at least 3 years experience in accounting and financial management.
- ✓ The candidate would be expected to have a thorough understanding of accounting practices, in internationally funded projects. Familiarity and experience in use of accounting software is a must.
- ✓ Good command of Arabic and English, both oral and written
- ✓ Prior experience working with donor-funded Projects.
- ✓ Good knowledge of Microsoft Office.
- ✓ Ability to work in team and multi-tasking.
- ✓ Good communication skills.
- ✓ Ability to work with multi stakeholders, including government agencies, , and community.
- ✓ Professional and personal endurance and commitment to complete complex assignments efficiently and effectively in a high demanding working environment.

The initial contract will be for one year with six-month probation, period, renewable every year on continued satisfactory performance.

ToRs PMU Social Inclusion, Gender, Targeting, nutrition focal point (to be added to the ToRs of the M&E specialist)

Roles and responsibilities

Under the general supervision of the project director, the project Gender, Youth, Social Inclusion, Targeting, Nutrition focal point will perform activities in five main areas to mainstream social inclusion:

Project implementation

- Advise and support the project manager, other members of the PMU and field officers in the effective mainstreaming of targeting, gender, youth and social inclusion in project activities.
- In close collaboration with the PMU, revise and update the Gender Youth, Nutrition and Targeting strategy included in the PIM.
- In close collaboration with PMU and through the support of contracted technical experts (1 for nutrition and 1 for gender and social inclusion) develop detailed gender, social inclusion, nutrition and targeting strategies for the project, including GY Action Plans to be updated regularly.
- In close collaboration with the contracted experts for gender/youth and nutrition, contribute to the development of basic gender and nutrition training modules and the methodology for gender norm dialogue sessions to be integrated in all training platforms, under sub-component 1.1.
- Finalise implementation and coordination arrangements with UN-Women.
- Establish partnership with relevant stakeholders, including the Ministry of Labour, Ministry of Health, UNHCR, Ministry of Youth, Ministry of Social Development, DOS, NAF to provide critical data on poverty, unemployment, age, refugee status, for:
 - Finetuning the methodology and criteria for geographic and people targeting;
 - Develop training modules on labour and OSH standards (Ministry of Labour) and on food quality and safety (Ministry of Health) – also in collaboration with the TA for nutrition.
- Work with each specialist in the PMU in critically reviewing project design to see how each component or subcomponent addresses gender, social inclusion and nutrition issues and identify opportunities for strengthening implementation from a targeting/youth/nutrition/gender perspective.
- Collaborate with the other Specialists to ensure that Gender, Youth, Nutrition and Poverty targeting objectives are properly reflected in the detailed implementation arrangements (including, templates for Expression of Interest and Calls for Proposal; eligibility and selection criteria for grants, etc).
- Review basic project implementation processes to provide feedback and suggestions on how to achieve the best possible project outcomes with respect to targeting, gender equality and women's empowerment, and youth inclusion.
- Identify and report bottlenecks in outreach of target groups (specially women, youth, people with disabilities), discuss with relevant internal and external stakeholders, and present solutions.
- Identify complementarity activities in other development programmes that allows REGEP-UP create partnerships and implement SI and nutrition interventions contributing to the project SI and nutrition objectives.
- Ensure that activities of the targeting, social inclusion and gender strategies are reflected in the following:
 - Preparation of the AWP/B;
 - Project progress reports;
 - Project supervision.
- Participate in the development of detailed TORs and tender documents of national TA for gender and nutrition and local service providers especially under component 1 to ensure that target groups will be able to participate effectively in all
- Carry out regular field visits to supervise and support gender/targeting and youth inclusion activities and detect potential targeting errors as well as adverse impact on women and youth.

M&E and knowledge management

- Establish an M&E system that captures and analyses disaggregated data on gender and youth, including by applying the Empowerment Indicator and nutrition-focused indicators.
- Document and share M&E, learning and communication products.
- Analyse data, including from M&E GRM and Feedback Mechanisms, to ensure that there are no adverse impacts on target groups as a result of project implementation, and suggest remedial measures if necessary.
- Identify existing knowledge and data gaps in the area of gender, targeting, social inclusion and nutrition and develop measures to close data gaps.

Capacity-building

- Participate in gender, youth and social inclusion trainings and reflect the learning outcomes into actions
- Undertake regular capacity assessment on gender and social inclusion issues and provide capacity-building for staff, PMU, implementing partners and service providers.

Advocacy and policy-dialogue

- Be familiar with gender policies of the institutions linked to the project, including national policies and those of ministries, implementing institutions and financing agencies, including IFAD.
- Establish linkages with other gender, women's or social inclusion programmes implemented by national, international and intergovernmental agencies.
- Present evidence-based information on gender inequalities as well as good practices on how to address those inequalities for evidence based policy engagement.
- Support the organisations of at least 3 policy events focusing on gender and nutrition (in partnership with UN-Women)

Draft ToR for Monitoring and Evaluation Associate

Location: JEDCO, Amman

Reporting to: M&E Specialist at JEDCO

Minimum qualification requirements

At least Bachelor's degree in one of the following: Social Sciences, Political Science, Agricultural Economics, Rural Development, Economics, Project Management/Business Administration, or a similar subject.

- At least 5 years of experience in the design and implementation of M&E/MIS in development projects implemented by national/international NGOs/UN bodies/ Government;
- Experience in designing tools and strategies for data collection, analysis and production of reports;
- Specific working experience in agriculture and rural development field will be an asset;
- Proven analytical and technical writing skills;
- Language Requirements: Fluency in written and spoken English.

Duration

The M&E Associate will be contracted for 12 months period with possible extension, based on satisfactory performance with a 6-month probation period.

Overall scope of activities

The JEDCO Monitoring and Evaluation (M&E) Associate will support the M&E Specialist in day-to-day M&E operations and activities, ensuring the continuous Project performance monitoring and evaluation of Project results with respect to the defined indicators and respective targets and providing timely and relevant information to Project stakeholders under the leadership and overall guidance of the M&E Specialist.

The position is based at the JEDCO in Amman with frequent visits to the Project implementation sites.

Main responsibilities of the M&E Associate

Under the supervision and guidance of the M&E Specialist, the M&E Associate will contribute to the effective implementation of the project's monitoring and evaluation system. This includes supporting data collection, reporting, quality control, and knowledge sharing activities across the project.

Main responsibilities of the M&E Associate:

- Assist in the development and operationalization of M&E strategies, systems, and tools (including M&E plan, MIS setup, data collection and reporting formats).
- Help maintain and update the M&E Plan and related documentation as required.
- Support data collection from implementing partners and field activities using standardized forms and tools.

- Ensure proper data entry, storage, and preliminary cleaning in coordination with the M&E specialist.
- Maintain organized and up-to-date records of both quantitative and qualitative data.
- Support the tracking of project indicators, disaggregated by gender, age, and target group, in line with the logframe and AWPB targets.
- Help consolidate data for physical and financial progress reporting.
- Assist in the logistical and technical support for surveys (baseline, mid-term, endline), ad hoc studies, and field assessments.
- Participate in data collection and verification during field missions.
- Compile and support initial analysis of monitoring data to inform evidence-based decision-making.
- Assist in the preparation of inputs for semi-annual, annual, and mission-related progress reports.
- Draft basic analytical summaries and data visualizations for reporting purposes.
- Coordinate with Project Implementation Partners, service providers, and other stakeholders for timely data submission.
- Support the roll-out of training sessions on M&E tools and systems under the guidance of the M&E Specialist.
- Assist in implementing stakeholder feedback mechanisms (online and offline) in close coordination with the KM/Communications team.
- Support the documentation of lessons learned, success stories, and case studies for dissemination and learning.
- Help maintain an organized e-library or digital archive of project M&E documentation.
- Participate in project review, planning workshops, and supervision missions as needed.
- Undertake field visits to support M&E activities and engage with stakeholders.
- Support coordination between M&E, KM, and communication functions.
- Perform any other tasks assigned by the M&E Specialist or Project Manager to support the effective monitoring and learning processes of the project.

Draft ToR for Communication and Knowledge Management Specialist

Location: JEDCO, Amman

Reporting to: REGEF UP Project Manager

Minimum qualification requirements:

- At least BS degree in Marketing, Public Relations, Business, Law or related fields;
- At least 3 years of specific experience in marketing/public relations;
- Specific working experience in agriculture and rural development field will be an asset;
- Excellent written and oral communication skills in English.

Duration:

Knowledge Management and Communications specialist will be contracted for 12 months period with possible extension, based on satisfactory performance with a 6-month probation period.

Overall scope of activities

Enhancing the communication of REGEF UP's opportunities, eligibility requirements, activities and results to relevant project stakeholders through the use of traditional and digital communication channels, learning approaches by developing and implementing innovative and effective ways to strategically capture and share knowledge, leverage good practices, and improve the effectiveness of REGEF UP. The KM/Communications Specialist will be responsible for a wide variety of activities related to identifying, managing, packaging, and disseminating key information to REGEF UP's stakeholders and public at large.

The KM/Communications Specialist has the responsibility for developing and implementing the knowledge management (KM) strategy. S/he will also work closely with the M&E Specialist, M&E Associate and KM&C officers of Project Implementation Partners.

The Knowledge Management and Communications specialist will report directly to the Project Manager.

The position is based at JEDCO in Amman with frequent technical visits to the Project implementation sites.

Main responsibilities of the KM/Communication Specialist

- In line with REGEF UP and objectives, the COSOP strategic objectives as well as REGEF UP targeting strategy, develop and implement effective Communication and Knowledge Management strategy (along with annual action plans) across components, implementation entities and beneficiaries in close collaboration with the M&E Specialist, and M&E Associate.
- Define the REGEF UP KM goals and strategic objectives, KM products and the main areas of KM-related work with clear linkages to improving Project performance, promoting innovations, scaling up success, sharing lessons learned, and influencing policy.
- Identify the key partners (local authorities, Associations, etc.) for knowledge dissemination, transfer and uptake by the target groups. Further explore partners for knowledge exchange at regional and central level.
- Establish online and offline systems for a downward and upward timely flow of up-to-date information about project opportunities, progress, results to Project stakeholders and public at large. Contribute to the development of digital platforms.
- Contribute to generating various knowledge products (ad hoc studies/case studies, success stories, problem analysis, etc.), video footage, throughout REGEF UP lifecycle.
- Work proactively with project teams to identify opportunities for capturing and sharing knowledge, and disseminating information about major progress and results;

- Document various success stories that will become a source of inspiration for potential beneficiaries to participate in REGEP UP's activities and will allow to replicate and scale up successful interventions.
- Produce Knowledge Management Reports elaborating on the best practices and lessons learned, success stories, etc., communication related activities, analysis of stakeholder feedback and grievance, etc. provide these reports as annex to Project Progress Reports.
- Analyze and document the results of the innovative approaches of REGEP UP.
- Document and share learning by ensuring that lessons learned, and best practices are documented and communicated in a timely manner.
- Collaborate across teams to ensure that M&E and gender aspects are integrated throughout REGEP UP's public communications efforts.
- Manage the successful execution of learning, knowledge sharing events including multistakeholder consultations, implementation review and reflection meetings, planning workshops, project learning days, seminars/webinars, workshops, conferences, peer learning sessions, etc.
- Develop and implement a communications strategy along with annual action plans to enhance the communication of REGEP UP's opportunities, activities and results to relevant Project stakeholders thus raising awareness, generating resources, and policy dialogues necessary to achieve REGEP UP's goals.
- Develop communication materials, including digital materials, to promote the Project and raise awareness (project briefs, infographics, brochures, newsletters)
- Develop appropriate stakeholder outreach plans to share the Project opportunities, strategies and communicate impact.
- Advise on how communications can most effectively be used to support REGEP UP's goals.
- Develop and implement a proactive media strategy, contribute to the design of new strategies, collaborations and implementation plans to ensure long-term sustainability and impact.
- Track and analyze key media and communications trends relevant to REGEP UP.
- Develop and manage a website and/or a Facebook page, or other online platforms where the actual and potential beneficiaries can access comprehensive information about Project opportunities and eligibility requirements. These will also become a platform for sharing various knowledge products (such as success stories, case studies, lessons learned etc.), including different information and learning materials developed by the project. Produce video documentary for capturing project results and success stories
- Work collaboratively with peers (particularly with the M&E specialists as well as other team members) to ensure alignment and cohesion.
- Represent REGEP UP to key project-related external constituencies, as appropriate, on committees related to area of expertise and responsibilities of the position.
- This role is responsible for high quality interactions and clear and consistent communications with beneficiaries and partners.

Procurement Staff TORs

Job Title	Procurement Officer
Number of Persons	JEDCO: 2 persons (one Senior Procurement Officer and another Procurement Officer)
Reporting To	PIU Project Manager
Subordinates	TBA
Job Description	The Procurement Officer will manage the following tasks: - Review and update (at least once annually) the procurement strategy - Review and provide updates on the PIM as necessary - Coordinate No objections on all grant and procurement matters through IFAD OPEN portal (this includes activities of all other I.A.s) - Participate in AWPB preparation and provide relevant feedback relating to packaging, classification, cost estimation, scheduling, etc. - Prepare the PPs based on approved AWPB; PPs will be prepared through OPEN - Review specifications, requirements, terms of reference, schedules of requirements, etc. to ensure fitness-for-purpose, competitiveness, value-for-money, alignment with needs, alignment with expected quality, etc. - Prepare/Review announcements, prequalification/shortlisting documents, bidding documents and Calls for Proposals using templates specified in the PIM - Manage the advertising process including receipt and answering of clarifications, issuance of addenda and management of pre-bid meetings and site visits - Sit in opening and evaluation committees and ensure compliance with evaluation criteria, bidding requirements, Calls for Proposals and PIM provisions - Lead on communication with bidders/applicants (in writing) soliciting clarifications on their bids/applications - Lead on the preparation of shortlisting, prequalification, and evaluation reports - Prepare draft contracts, minutes of discussion, minutes of negotiation, MoUs, MoAs, grant agreements, etc. - Lead on the receipt and resolution of debrief requests and procurement complaints; prepare debrief and complaint resolution reports - Oversee the contract signature process by competently authorized persons - Oversee contract period implementation from a contractual perspective including commencement, completion, change management, payment, guarantees, insurances, warranty, etc. - Review and clear payment requests and prepare necessary documentation for processing - Ensure that procurement items are finally handed over to end users who are utilizing the assets for their intended purpose sustainably - Ensure that grant beneficiaries are utilizing their grant assets sustainably and for their intended purpose - Review and clear change orders or amendments and prepare necessary documentation for signatures - Ensure accurate and all-inclusive documentation archiving with indexing for ease of retrieval electronically - Contribute to audits, support missions, supervision missions, MTRs, and completion missions and provide necessary documentation; actively engage in addressing procurement audit findings and IFAD mission agreed actions

	- Participate in IFAD-sponsored and other training initiatives on procurement, contract management, etc. - Flag any doubts or findings of inconsistencies, fraud, mismanagement, corruption, etc. to IFAD's C.D. - Other tasks as may be assigned by the Project Manager
Job Requirements	a) Bachelor's degree in engineering, business, public administration, management, or a related field (5 points) b) Preference for a master's degree in procurement management, project management, or contract management (2 points) c) At least 10 years of general professional experience in one or more phases of project execution (10 points) d) Preference for experience in donor-funded projects (5 points) e) At least 5 years of experience in public or donor-funded procurement in Jordan (25 points) f) Preference for experience in IFAD, World Bank, EU or UN Agencies (13 points) g) Very good knowledge of the Jordanian Laws and Regulations on procurement (5 points) h) Possess the following competencies: - o Highest levels of ethical standards including a deep understanding of integrity requirements, corruption red-flags, etc. (10 points) - o Analytical and problem-solving skills including creative thinking and strategic planning (10 points) - o Perfect command of English and Arabic (5 points) - o Efficient and effective communication skills in both languages (orally and in writing) including the use of computer-aided tools (10 points)
Selection Process	The selection will follow IFAD-sanctioned selection mechanism and will include among others: - CV evaluation (criteria a to g): passing score is 45 out of 65 points - Written Exam: passing score is 70% (exam to be cleared in advance by IFAD) - Interview: for candidates that pass the CV evaluation and written exam, interviews will be held using the criterion (h) above. Passing score is 24/35. - When the staff is recruited as a consultant (ICS), the top ranked applicant will be invited to submit a proposal which will be subject to evaluation and negotiation. - Selection of procurement staff is always subject to prior review.

Job Title	Procurement Assistant
Number of Persons	JEDCO: 1 person
Reporting To	PIU Project Manager
Subordinates	None
Job Description	The Procurement Assistant will support the following tasks: - Filing and archiving (physical and electronic) of all procurement related documents as well as contract management documentation in line with IFAD requirements - Receiving and registering all procurement-related submissions (applications, EOIs, bids, proposals, quotations, etc.) - Receiving, recording and archiving bank guarantees - Publishing all procurement-related notices (for pre-qualification, REOI, bidding, award, cancellation, etc.) - Acting as rapporteur to procurement related meetings including, when nominated, bid opening, evaluation, discussion and negotiation sessions - Handle simple procurement activities including but not limited to low-value, low-risk or secondary procurement in consultation with procurement officers - Manage simple contracts in line with contract or Purchase Order requirements - Ensure proper, accurate and timely data entry on IFAD systems such as OPEN - Contribute to audits, support missions, supervision missions, MTRs, and completion missions and provide necessary documentation - Participate in IFAD-sponsored and other training initiatives on procurement, contract management, etc. - Other tasks as may be assigned by the Project Manager
Job Requirements	a) Bachelor's degree in engineering, business, public administration, management, or a related field (10 points) b) At least 7 years of general professional experience in one or more phases of project execution or organizational management/support (10 points) c) Preference for experience in donor-funded projects (5 points) d) At least 2 years of experience in public or donor-funded procurement in Jordan (20 points) e) At least 2 years of experience in providing support services to semi-complex projects or operations (20 points) f) Possess the following competencies: - o Highest levels of ethical standards including a deep understanding of integrity requirements, corruption red-flags, etc. (10 points) - o Very good coordination and analytical skills including creative thinking (10 points) - o Perfect command of English and Arabic (5 points) - o Ability to work under pressure, prioritize tasks effectively, and collaborate with multiple teams with competing demands (10 points)
Selection Process	The selection will follow IFAD-sanctioned selection mechanism and will include among others: - CV evaluation (criteria a to e): passing score is 45 out of 65 points

	- Written Exam: passing score is 70% (exam to be cleared in advance by IFAD) - Interview: for candidates that pass the CV evaluation and written exam, interviews will be held using the criterion (f) above. Passing score is 24/35. - When the staff is recruited as a consultant (ICS), the top ranked applicant will be invited to submit a proposal which will be subject to evaluation and negotiation. - Selection of procurement staff is always subject to prior review.

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Annex 10: Integrated Project Risk Matrix

Mission Dates: 26/04 to 16/05/2025

Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
Programme Management Department

Overall Summary

Risk Category / Subcategory	Inherent risk	Residual risk
Country Context	Moderate	Moderate
<i>Political Commitment</i>	<i>Low</i>	<i>Low</i>
<i>Governance</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Macroeconomic</i>	<i>Substantial</i>	<i>Substantial</i>
<i>Fragility and Security</i>	<i>Low</i>	<i>Low</i>
Sector Strategies and Policies	Moderate	Moderate
<i>Policy alignment</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Policy Development and Implementation</i>	<i>Moderate</i>	<i>Moderate</i>
Environment and Climate Context	Moderate	Moderate
<i>Project vulnerability to environmental conditions</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Project vulnerability to climate change impacts</i>	<i>Moderate</i>	<i>Moderate</i>
Project Scope	Low	Low
<i>Project Relevance</i>	<i>Low</i>	<i>Low</i>
<i>Technical Soundness</i>	<i>Low</i>	<i>Low</i>
Institutional Capacity for Implementation and Sustainability	Moderate	Moderate
<i>Implementation Arrangements</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Monitoring and Evaluation Arrangements</i>	<i>Low</i>	<i>Low</i>
Project Financial Management	Substantial	Substantial
<i>Project Organization and Staffing</i>	<i>Substantial</i>	<i>Substantial</i>
<i>Project Budgeting</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Project Funds Flow/Disbursement Arrangements</i>	<i>Substantial</i>	<i>Substantial</i>
<i>Project Internal Controls</i>	<i>High</i>	<i>High</i>
<i>Project Accounting and Financial Reporting</i>	<i>Substantial</i>	<i>Substantial</i>
<i>Project External Audit</i>	<i>Substantial</i>	<i>Substantial</i>
Project Procurement	Moderate	Moderate
<i>B.1 Assessment of Project Complexity</i>	<i>Low</i>	<i>Low</i>
<i>B.2 Assessment of Implementing Agency Capacity</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Project Procurement Overall</i>	<i>Moderate</i>	<i>Moderate</i>
<i>A.1 Legal, Regulatory and Policy Framework</i>	<i>Moderate</i>	<i>Moderate</i>
<i>A.2 Institutional Framework and Management Capacity</i>	<i>Moderate</i>	<i>Moderate</i>
<i>A.4 Accountability, Integrity and Transparency of the Public Procurement System</i>	<i>Moderate</i>	<i>Moderate</i>
<i>A.3 Public Procurement Operations and Market Practices.</i>	<i>Substantial</i>	<i>Substantial</i>
Environment, Social and Climate Impact	Moderate	Moderate
<i>Biodiversity Conservation</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Resource Efficiency and Pollution Prevention</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Cultural Heritage</i>	<i>Low</i>	<i>Low</i>
<i>Indigenous People</i>	<i>Low</i>	<i>Low</i>
<i>Labour and Working Conditions</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Community health, safety and security</i>	<i>Moderate</i>	<i>Moderate</i>

Risk Category / Subcategory	Inherent risk	Residual risk
<i>Physical and Economic Resettlement</i>	<i>Low</i>	<i>Low</i>
<i>Financial intermediaries and direct investments</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Climate change</i>	<i>Moderate</i>	<i>Moderate</i>
Stakeholders	Low	Low
<i>Stakeholder Engagement/Coordination</i>		<i>No risk envisaged - not applicable</i>
<i>Stakeholder Grievances</i>	<i>Low</i>	<i>Low</i>
Overall	Moderate	Moderate

Country Context	Moderate	Moderate
Political Commitment	Low	Low
Risk: Nearly 1.5 million voters (31% voter turnout) cast their ballots on September 10, 2024, to elect members of the House of Representatives. These elections were the first to be held under the new party and electoral laws that were adopted after Jordan's King Abdullah II formed a royal commission to modernize the political system in 2021. The Islamic Action Front (IAF), the political arm of the Jordanian Muslim Brotherhood, made significant gains in the country's parliamentary elections, it won 31 seats (out of 138), up from the seven seats it had in the previous parliament. Although the voter turnout is as low as the elections held during the COVID-19 virus, the overall political situation in the country remains stable. This is in addition to the fact that the political commitment to IFAD's interventions has always been very positive, with a strong standing relationship of over 40 years and nine projects successfully implemented; include REGEP phase 1 and 2, which the government has now requested to be scaled-up, thus further emphasizing its commitment to this project.	Low	Low
Mitigations: Continue to monitor for any changes in the political situation.		
Governance	Moderate	Moderate
Risk: Overall, Jordan has a stable and well-established governance structure. Jordan is ranked 47th on the list of transparency international in 2023. In World Bank's Governance Indicators Jordan generally performs well in Government Effectiveness and Rule of Law, indicating a relatively efficient and reliable public sector and judicial system compared to regional peers in MENA. It also scores above the regional average in Control of Corruption, corroborating the findings of Transparency International.	Moderate	Moderate
Mitigations: Will ensure guidance and supervision of e.g. procurement, financial management, recruitment and grant ward processes.		
Macroeconomic	Substantial	Substantial

Risk: Jordan has been grappling with high levels of public debt, which have been exacerbated by regional instability, economic slowdowns, and the costs associated with hosting a large number of refugees. As of 2023, Jordan's public debt stands at approximately 110% of GDP. Jordan's economy is heavily dependent on external aid and remittances, which make it vulnerable to external shocks. The unemployment rate stood at 24.8% in 2022, with youth unemployment much higher at around 47%. Jordan relies heavily on energy imports to meet its domestic energy needs, making it susceptible to global energy price fluctuations. Jordan is one of the most water-scarce countries in the world, which poses a significant risk to agricultural productivity, human health, and overall economic stability. Finally geopolitical risks and instability in the region may negatively impact Jordan's economy, particularly tourism and investor confidence	Substantial	Substantial
Mitigations: The financing structure of REGEP-UP will consist of at least 25% grant financing to reduce the implications of the high debt distress facing the country. The project will also focus on generating employment for women and youth in rural areas. The project will also focus on promoting renewable energy use and climate resilient practices that focus on natural resource management, with strong emphasis on water scarcity.		
Fragility and Security	Low	Low
Risk: Jordan is not on the World Bank's list of fragile countries, and it is a center of stability and peace in a volatile region. However, geopolitically, the intensifying levels of conflict in Jordan's neighbouring countries of Palestine and Lebanon, has placed Jordan in a precarious situation, which increases the risk of unintentional collateral damage. Nonetheless, the overall risk of a significant deterioration in the security situation in the country remains low and the country is expected to maintain its neutral stance on regional disputes.	Low	Low
Mitigations: Closely monitor the situation in close collaboration with IFAD security and UNDSS		
Sector Strategies and Policies	Moderate	Moderate
Policy alignment	Moderate	Moderate
Risk: There is a risk that Jordan's future strategies and policies governing the rural and agricultural sector will not sufficiently pro-poor and aligned with IFAD inclusiveness priorities (e.g. on land, environment, climate, gender, nutrition, youth, private sector engagement), undermining REGEP-UP implementation and the achievement of project development objectives. This is especially pertinent as the current national agricultural strategy of the government expires in 2025 as does the green growth national action plan.	Moderate	Moderate
Mitigations: REGEP-UP focus on inclusive and water efficient rural development will likely continue to align to governments priorities, also post 2024. However, IFAD and its partners in Jordan (JEDCO and UNCT) continues to monitor the situation with FAO also engaged in the policy formulation process.		
Policy Development and Implementation	Moderate	Moderate
Risk: That up-scaling efforts will be reduced by limited by low capacity of domestic partners to ensure widespread and substantial uptake outside project areas. Especially the extension service has displayed outreach constraints	Moderate	Moderate

Mitigations: The REGEF-UP will engage with both public and private service providers with a view to diversify risks and also to ensure commercial sustainability. However, concerted efforts will be devoted to ensuring that core public institutions, including the extension service, will be engaged proportionally to their capacities.		
Environment and Climate Context	Moderate	Moderate
<i>Project vulnerability to environmental conditions</i>	<i>Moderate</i>	<i>Moderate</i>
Risk: The key environmental issues that are pertaining to the programme scope and targeted groups include: land degradation, degradation of natural habitat, overexploitation of water resources, soil, water and air pollution, inadequate waste treatment at farms and MSME level waste, and limited coordination in environmental and climate change governance.	Moderate	Moderate
Mitigations: The programme is expected to mainstream environmental sustainability considerations in its value chain approach and rural finance component through the promotion of integrate natural resources management practices including: i) supporting better water management at farm level through rain water harvesting ii) promote soil enrichments through the use of organic fertilizer and compost to reduce chemical and provide guidance on correct application of pesticides and fertilizer iii) Support micro entrepreneurship in businesses increasing food security and requiring minimal land and water resources		
<i>Project vulnerability to climate change impacts</i>	<i>Moderate</i>	<i>Moderate</i>
Risk: The programme will be implemented in all 12 governorates, which can have varying exposure levels to hazards and climate variability. However, the trends indicate that the country will face increased water scarcity and drought, river floods, greater variability and decreases in precipitation, and increases in temperature accompanied by more frequent heat waves. These hazards will expose the agricultural sector to significant risks, including reduced crop yields, heightened water stress, increased soil degradation, and challenges in maintaining productivity due to extreme weather conditions. Furthermore, they may exacerbate the vulnerability of rural communities reliant on rainfed agriculture, intensify competition over limited water resources, and increase the cost of irrigation, threatening both food security and livelihoods.	Moderate	Moderate
Mitigations: To increasing the adaptive capacity of targeted rural population REGEF UP will: Prioritize support to water crop saving with high water economical productivity, support dissemination and capacity building of climate resilient practices in irrigated and rain fed horticulture and, including water-use efficient drip irrigation systems and optimal maintenance and management of these infrastructures and systems. invest in close field, water I harvesting and field level conservation infrastructures, monitoring and documentation with farmers of socioeconomic and adaptation benefits of water saving, productivity and soil conservation.		
Project Scope	Low	Low
<i>Project Relevance</i>	<i>Low</i>	<i>Low</i>
Risk: Risk that REGEF UP objectives and interventions are not well aligned with national development and IFAD priorities or are not sufficiently relevant or responsive to the needs and priorities of the intended target group.	Low	Low

Mitigations: REGEF – UP will continue to align closely with relevant government policies and also engage in the policy conversation shaping the overall regulatory and legal framework for inclusive development. It will support Jordan's ambitions to transition small-scale producers and processors into resilient and commercially viable entrepreneurs in ways that enhance resilience and ensures better management of natural resources in general and water in particular.		
Technical Soundness	Low	Low
Risk: The risk that technical design factors, such as over-complexity, over/insufficient-ambition or innovativeness, inadequate incorporation of lessons learned and best practices, weak economic, social inclusion and environmental sustainability rationale, weak analytic underpinnings (including because such may not be available), or overly rigid design, may undermine project implementation and achievement of project development objectives.	Low	Low
Mitigations: REGEF-UP builds on the lessons from the previous phase and has explicitly adjusted design to improve technical robustness in three core spaces: 1. Increased simplicity of design: The most sophisticated, complex and capital-intensive investment proved to have limited scalability. These will be avoided, and priority will be granted to innovations that are cost-effective, scalable for all segments of the target group and with limited up-front capital investments, the latter especially for grants. 2. Better targeting: REGEF UP will use a more granular approach with the rural poor benefitting more from the grant investments through carefully calibrated targeting criteria. Better off groups will benefit from e.g. technical advisory services and improved access to loan finance. In addition, some of the activities will be accessible only to youth entrepreneurs and women. 3. More resilience: The REGEF UP also has a technically well-proven emphasis on increasing especially smallholders' resilience in particular concerning access to water and efficient use hereof.		
Institutional Capacity for Implementation and Sustainability	Moderate	Moderate
Implementation Arrangements	Moderate	Moderate
Risk: The risk that the Project Management Coordination Unit (PMCU) is not adequately structured and lacks the needed human resources, especially in regard to financial management and knowledge management, as experienced in the past. Furthermore, the implementation of the RF component requires technical expertise which PMCU may be lacking. Another risk and a lesson learnt from REGEF is the need to sequence the RF activities, having the provision of TA before lending activities.	Moderate	Moderate
Mitigations: The project design team has factored-in additional "dedicated" financial management and KM human resources, in addition to budgeting for upgraded systems for both financial management and M&E. The capacity risk for RF component implementation will be mitigated through ensuring the presence of technical expertise through hiring qualified consultancy. To ensure effective sequencing of RF activities, a thorough plan will be developed at the outset to ensure recruitment of TA providers prior to launching lending activities.		
Monitoring and Evaluation Arrangements	Low	Low

Risk: Risk that project executing entity's and/or implementing partners (IPs) M&E systems are below standard.	Low	Low
Mitigations: The project design team has factored-in the cost of an M&E MIS for the executing entity (PMCU), although the current system used by the PMCU is rated moderately satisfactory. As for the IPs, most of the envisaged IPs in this new phase are the same IPs during phase 1 and 2 of REGEP and their M&E systems are up to standard using MIS in most cases.		
Project Financial Management	Substantial	Substantial
Project Organization and Staffing	Substantial	Substantial
Risk: The absence of full-time financial management staff and coordination challenges among implementing partners may undermine effective financial oversight and control.	Substantial	Substantial
Mitigations: A centralized PMCU will continue to operate within JEDCO, with the recruitment of a full-time Finance Specialist and Accountant dedicated fully to the programme. This core team will be supported by JEDCO's Finance Manager and Internal Auditor to ensure effective financial oversight, coordination, and compliance with financial management requirements.		
Project Budgeting	Moderate	Moderate
Risk: Lack of familiarity with IFAD budgeting standards; risk of delays and unrealistic budgets.	Moderate	Moderate
Mitigations: The Annual Work Plan and Budget (AWPB) should be submitted at least two months prior to the start of the financial year. In addition, the programme will establish a mechanism for systematic monitoring of budget versus actuals, with timely adjustments made as needed to ensure budget realism and alignment with programme activities.		
Project Funds Flow/Disbursement Arrangements	Substantial	Substantial
Risk: Funds Flow & Disbursements Complex fund structure; risk of delays; flow of funds from different sources.	Substantial	Substantial
Mitigations: JEDCO, and both ACC and CBJ will be required prior to any disbursement Opening of the pool designated account Quarterly Interim Financial Reports (IFRs) together with a cash flow forecast and Withdrawal Applications (WAs) to enable timely disbursements and effective liquidity planning. A separate ledger will be maintained for each source of financing, with monthly reconciliations conducted to ensure accurate financial tracking and reporting across all funding streams.		
Project Internal Controls	High	High

Risk: Inconsistent internal controls across entities—due to system differences, capacity gaps, and complex fund flows—pose risks of financial mismanagement and weak supporting documents and fiduciary oversight. Limited internal audit capacity at JEDCO due to resource constraints may hinder timely identification of control weaknesses and limit assurance on the use of Grants and Loan extended to end beneficiaries for intended purposes.	High	High
Mitigations: Adherence to the Financial Control By-law (2011) and its Amendment (2015) to guide control processes and segregation of duties. Adopt the Financial management of the PIM, which has been prepared during design. Where feasible, include verification of a sample of loans and grants disbursed to end beneficiaries as part of internal audit annual workplan. Include in the annual external audit Terms of Reference (ToR) a requirement for sample-based verification of grants and loans to end beneficiaries.		
Project Accounting and Financial Reporting	Substantial	Substantial
Risk: Inadequate accounting systems, limited staffing, and inconsistencies in accounting standards required by different financiers may result in delays, reporting errors, and reduced transparency in financial reporting.	Substantial	Substantial
Mitigations: Implement an appropriate accounting software system. Adopt IPSAS basis for the programme's accounts. Monitor systematically the actual expenditures incurred by implementing partners and credit lines. capture and record domestic contributions. Timely submission of the quarterly interim financial reports.		
Project External Audit	Substantial	Substantial
Risk: Non-adherence to the audit scope outlined in the approved Terms of Reference (ToR) and delays in the submission of external audit reports may compromise accountability and fiduciary compliance.	Substantial	Substantial
Mitigations: Engage the Audit Bureau of Jordan to perform an external audit and discuss the audit schedule before the end of the financial year. Conduct pre-and post audit meeting with auditor to discuss the TORs and the draft audit report.		
Project Procurement	Moderate	Moderate
B.1 Assessment of Project Complexity	Low	Low

Risk: REGEF is none complex project and the activities are of simplified nature and will be implemented in 12 governorates. The primary implementing partners are JEDCO, JRF, CBJ, etc. which need to coordinate effectively among one another. Jordan is not considered a fragile state and has robust governance structures, including in public procurement.	Low	Low
Mitigations:		
B.2 Assessment of Implementing Agency Capacity	Moderate	Moderate
Risk: JEDCO is well experienced in REGEF; however, challenges persist with respect to control and supervision of grants, procurement and competitiveness in consulting services, effectiveness of audit functions, adoption and updating of PS, and integration of SECAP requirements in grants.	Moderate	Moderate
Mitigations: JEDCO shall elaborate a clear RACI matrix for the different phases of the grants cycle; JEDCO shall also sensitize the consulting services market as soon as the project starts and try to engage consulting firms more effectively and competitively. The startup workshop shall include a deep-dive into the PS which shall be updated immediately thereafter and annually.		
Project Procurement Overall	Moderate	Moderate
Risk: The Overall risk assessment posed by PART A and B is considered Moderate: The Jordanian procurement system is relatively modern (2022) with modern methods, decentralized below the threshold, utilizing e-GP above the thresholds, and a complex institutional setup. Although there are attempts to modernize SPDs, they are still not complete with major weaknesses in consulting services. JEDCO is an experienced I.A. in overall management of IFAD projects, but there is no complex procurements or grants directly executed by JEDCO in the past; major procurements were for simple goods and some consulting services, the most complex of which is the selection of I.P.s. Risks of delay persist as in previous projects due to a lax attitude or uncertainty in the first year of the project.	Moderate	Moderate
Mitigations: Coordination between I.A.s and supervision require clear structuring in the PIM to avoid dilution of responsibilities. The startup workshop shall be a major triggering event for expediting concluding major year-one procurement, MoUs/MoAs and agreeing on detailed implementation and coordination modalities. JEDCO will adopt national procurement rules not contradicting IFAD's and shall adopt ICB and consulting services methods and templates of IFAD. Other methods need to be adapted to align with IFAD's.		
A.1 Legal, Regulatory and Policy Framework	Moderate	Moderate
Risk: The legal system is modern (2022) but is a hybrid model with decentralization (up to a certain threshold) and centralization (above the threshold). Multiple committee and stakeholders engage in procurement execution and there is no thorough manual and guidance. There are very few procurement templates in use. Granting is not regulated nationally and needs to follow clear and transparent procedures.	Moderate	Moderate

Mitigations: ICB and consulting services will follow IFAD procedures and templates. A detailed PIM covering procurement and grant procedures should be developed including a RACI matrix for roles and responsibilities. A Procurement strategy needs to be elaborated to design critical procurement activities and grant schemes.		
A.2 Institutional Framework and Management Capacity	Moderate	Moderate
Risk: Absence of strategic procurement planning, high PIU procurement staff turnover, involvement of a large number of committees and outside of PIU staff in evaluations, ambiguous role of central regulatory and oversight entities, and alignment between AWPB and PP are the major risks.	Moderate	Moderate
Mitigations: Project to use OPEN for procurement planning and to align with the AWPB; to apply the PAL thresholds; Training in BUILDPROC and to enhance procurement capacity in donor funded project for PIU and committees' staff; IFAD startup, supervision and support missions will assess the project's performance during procurement implementation. RACI within the PIM will elaborate the roles and responsibilities, and committee staff should be well acquainted with the PIM and IFAD templates.		
A.4 Accountability, Integrity and Transparency of the Public Procurement System	Moderate	Moderate
Risk: Key risks include ambiguity in control, audit and review functions with respects to IFAD projects, limited involvement of civil society, and unclear performance of anticorruption mechanisms.	Moderate	Moderate
Mitigations: The PIM will outline clear roles and responsibilities with respect to internal control, external control, audit and review. IFAD's cross-debarment and reporting hotlines will be adopted for all procurement and grant opportunities.		
A.3 Public Procurement Operations and Market Practices.	Substantial	Substantial
Risk: The risk for Public Procurement Operations and Market Practices is "Substantial" due to the weaknesses noted about lack of statistical information about Contract management, limited dialogue and partnerships between public and private sectors, absence of strategic market engagement.	Substantial	Substantial
Mitigations: The PIU will elaborate a robust CM framework in the PIM including a detailed RACI matrix. The procurement strategy should include thorough market analysis and engagement approaches. IFAD will support projects to apply to its SECAP requirements.		
Environment, Social and Climate Impact	Moderate	Moderate
Biodiversity Conservation	Moderate	Moderate

Risk: It is unlikely that REGEF-UP will have major impact on Jordan's biodiversity. REGEF-UP will support horticulture farming and related off farm businesses. These activities may have impact on soil, underground and surface water such as rivers through chemical pollution and overuse if not managed sustainably. The conversion or degradation of biodiversity may eventually occur due to infrastructures installation and/or expansion of agricultural activities. Medium to Small-scale rural and processing infrastructures, as greenhouses, water conservation facilities and machineries, as well as agricultural inputs such as small materials, seeds, plants will be supported by the programme grants and loans. These items will involve the procurement of natural resources material such as sand, cent, gravel, plants.	Moderate	Moderate
Mitigations: The geographical clusters of intervention within each governorate once identified will be reviewed to ensure that activities proposed do not have any impact on protected areas. The programme will avoid genetically modified organisms (GMOs), which are rare in Jordan, and instead promote drought-resistant plant varieties developed through conventional breeding to meet local climate challenges. Small-scale rural infrastructure, such as greenhouses and water harvesting facilities, will be constructed or rehabilitated, ensuring they do not require the clearing of natural habitats (e.g., tree removal) and are established in pre-designated agricultural areas e. To mitigate natural habitat pollution which include soil and water these risks, the programme will emphasize sustainable agricultural practices to reduce environmental impacts (see below section for additional details). . Due diligence and IFAD exclusion list will apply for the loans delivered through the credit line to ensure no financing is directed to programmes with potential negative impacts on biodiversity, habitats, or ecosystem. To address the procurement related environmental risks, the programme will aim to suggest a list of sustainable suppliers to beneficiaries, committed to minimizing environmental impact whenever feasible. For procurement handle directly at PMU level procurement will Favour suppliers that can demonstrate that they are not contributing to significant conversion or degradation of Natural or Critical Habitats. Upon agreement, Banks may impose to large loan borrower to give preference to buying from a member of the United Nations Global Compact. The level of risk related to procurement of natural resources is considered as moderate.		
Resource Efficiency and Pollution Prevention	Moderate	Moderate
Risk: Jordan faces significant challenges with soil and water pollution due to limited water availability, agricultural runoff, and industrial activities. The programme risk associated with resource use and pollution is moderate. The programme will focus on the horticulture value chain and involve the primary production of living natural resource through cultivation of fruits and vegetables. The sector has led to the release of pollutant including, plastic residue, poorly treated wastewater, chemical fertilizer and pesticides which have caused water and soil pollution. Consequently, there may be a possible and moderate risk associated with nutrient leaching or wastewater release due to production and transformation activities supported by the programme, particularly through autonomous use of fertilizer, insecticides or pesticides and small food and dairy processing. The programme will procure pesticides and chemical fertilisers for demonstration plots to demonstrate proper dosage. Although the programme will include pesticides products as part of the exclusion list for grants support, chemical fertilizers will be eligible. Loans may be used to purchase both pesticides and fertilizers. Risk of autonomous overuse of these highly concentrated products can therefore be a risk for Human health and the environment.	Moderate	Moderate

Mitigations: The programme will through its capacity building activities promote appropriate dosage of agrochemical, the use of practices for better soil and water conservation including the use of organic fertilizer, compost, integrated pest management, improved water treatment and soil cover techniques. The programme may also support maximum level residue testing and when relevant certification obtention support. Purchase of pesticides will be excluded from the grants however will be eligible for loans. As part of the grants eligible criteria, water storage infrastructures shall be supplied by sustainable surface water source, reused water or direct rainwater harvesting. Farmers relying on mix water source including groundwater may benefit from water saving technologies if they are willing to convert to high water productivity crop, rely on a permitted water source, and don't foresee expansion. Following programme's objective to support water saving practices, before investment is provided, the programme will support beneficiaries through capacity building on climate smart agriculture practices to maximize agriculture water use through water efficient crops selection, water conservation technique, improved irrigation design and practices and support to evaluate return per cubic meter of water used (i.e. Economic water productivity). Any chemical fertilisers and pesticides purchased by the programme for demonstration plots or grants (pesticides are excluded from project grants) will be under the supervision of extension services which will provide guidance on the correct application and dosage. Alternatively, the programme will also promote Integrated Pest management and demonstrate practices to avoid agrochemicals including the use of biopesticides and organic fertilizers		
Cultural Heritage	Low	Low
Risk: The risk rating is Low. Given the nature of the programme and the lack of infrastructure components, risk of unintended negative impact on sites of cultural values is not envisaged. With regard to intangible cultural heritage such as production of traditional food processing practices, which might have a cultural value, no specific risks have been identified. The programme intends to support women producers and entrepreneurs to invest and add value to their traditional food processing practices, but this is unlikely to undermine traditional food practices, given the local and small-scale nature of these investments.	Low	Low
Mitigations: The programme will invest in small-scale, home-based activities.		
Indigenous People	Low	Low
Risk: Bedouins of Jordan origins are not included in the target group and the nature of the intervention is not expected to endanger their resource rights. Therefore, the risk rating is low.	Low	Low
Mitigations: None		
Labour and Working Conditions	Moderate	Moderate

Risk: With regard to Occupational Health and Safety (OSH) no major issues have been identified during field visits. Yet, agricultural workers in the country often face unsafe and precarious labor conditions, which require the implementation of adequate mitigation strategies. Risks related to: OSH and low wages, of rural labourers, might especially affect women and refugees; minor risk of child labour in agriculture have been identified. considering that the agricultural sector is the second-largest industry that employ children in Jordan, accounting for 27.5% of the total child workers in the country. The incidence of child labour is higher in remote rural areas. Children engaged in agricultural work are exposed to hazardous conditions such as handling dangerous machinery, exposure to harmful pesticides, and performing physically demanding tasks. Risk of forced labour, under REGEP UP is extremely unlikely, considering that civic work for infrastructure development is not envisaged under the programme.	Moderate	Moderate
Mitigations: The programme will sensitize rural producers and entrepreneurs on the importance that they comply with national legislation on labor conditions, minimum wage (260 JD per month) and OSH standards when hiring workers. This will be considered as a condition to access programme's support. Risk of child labor in agriculture will be mitigated through the implementation of dedicated awareness-raising activities on the impact of labour on children and on the provisions of the law during training activities. Safe labour practices will be promoted among small and medium enterprises (SMEs) working in food production and processing, through the implementation of dedicated training and awareness raising on OSH standards including the use of protective equipment, and first aid boxes. REGEP UP will also replicate the experience of REGEP, which has promoted a decent work environment in home-based micro-enterprises, mostly dominated by women. This included the provision of training and financial resources to ensure a clean, hygienic and safe working environment.		
Community health, safety and security	Moderate	Moderate
Risk: The major risk in terms of human health is the exposure to pesticides and agro chemicals that might be purchased by farmers or applied by farm workers, sometimes without wearing adequate protective equipment. Related is the danger of ground water pollution from these chemicals. Unintended negative impact on nutrition is not envisaged. Many of the target value-chains are nutrition-sensitive (e.g. horticulture, olive oil, etc.) and the programme's interventions, especially those targeting women small-scale producers support the processing of healthy and nutritious food to be sold in local markets. These includes dried or canned fruits and vegetables, aromatic herbs such as thyme and origan, and traditional medicinal plants. In addition, the programme will deliver training to support behavioural changes in nutrition habits especially aimed at promoting women's dietary diversity and addressing micronutrient deficiencies and obesity, which are common among women. Enterprise development activities targeting women and girls and fostering women's economic empowerment processes might unwittingly generate intra-household tensions, which could escalate into domestic violence (GBV). According to REGEP implementing partners this risk is low. In fact, male family members, especially from low-income families and Syrian refugees, tend to support women's participation in economic activities outside of the household since they perceive the benefits of an additional income stream for the whole family.	Moderate	Moderate

Mitigations: Risk of exposure to chemical pesticides will be mitigated through the delivery of training and sensitization on the potential negative health impact of pesticides. This will be integrated in the training curriculum of FFSS and is a core component of the programme's strategy to promote climate-resilient agriculture in the programme's area. The programme will minimize risk of GBV by integrating gender norms dialogue sessions and GBV sensitization in social mobilization and training activities. The Jordanian River Foundation, which is one of the programme's implementing partners has a consolidated experience in integrating GBV sensitization in their operations. A Grievance Redress Mechanism (GRM) system will also be in place to report cases of GBV.		
Physical and Economic Resettlement	Low	Low
Risk: Given the nature of the intervention and the lack of large-scale infrastructure components, the risk rating is low.	Low	Low
Mitigations: None		
Financial intermediaries and direct investments	Moderate	Moderate
Risk: Component 2 of the programme aims to enhance access to rural finance through a dedicated credit line managed by a well-established national financial partners institution. The Central Bank of Jordan and Agriculture Credit Cooperation will be the primary financial intermediaries and facilitate lending through their rural finance facility. Other Commercial banks and microfinance institutions will then be involved as secondary intermediaries to provide loans directly to agricultural SMEs and individuals. ACC and CBJ partners adhered to guidelines ensuring ethical and legal financial operations, but the institutions are still in the process to establish an environmental and social management system (ESMS) to assess, manage and monitor the risks and impact of their investments. Consequently there could be a risk of loan financing with negative climate, environmental and social impact A risk to effective loan disbursement under the programme stems from the widespread issue of over-indebtedness and the severe legal consequences for loan default in Jordan. The country remains one of the few globally where failure to repay even small debts can result in imprisonment (though recently there has been a relaxation of punishment for women). This legal environment creates a chilling effect on both borrowers and lenders. According to estimates, there may be up to quarter of a million Jordanians facing complaints related to debt delinquency, with approximately 2,630 individuals – 16% of the prison population – imprisoned for nonpayment of loans or bounced cheques. Alarming, 68% of the 158,000 individuals facing charges in 2023 owed less than JOD 5,000, highlighting the scale of financial vulnerability and the risk of exacerbating borrower distress through additional credit	Moderate	Moderate
Mitigations: To ensure that ACC and CBJ operate in alignment with IFAD's SECAP principles and apply adequate environmental and social due diligence to loan requests, the agreements signed between the programme and these financial institutions will include a dedicated Environmental and Social Action Plan (ESAP). The ESAP is designed to strengthen and enhance the Environmental and Social Management Systems (ESMS) of both ACC and CBJ. Its implementation will be supported by REGEF-UP through the technical assistance provided under Sub-Component 2.2. Further information on the current status of each institution's ESMS and the corresponding ESAP actions can be found in the ESCMP and its annexes. To mitigate the over-indebtedness risk, the programme will implement strict loan underwriting procedures, which will be documented in the PIM. These procedures will require the PFIs to assess borrower creditworthiness through comprehensive checks of credit history and debt exposure prior to loan approval.		

Climate change	Moderate	Moderate
Risk: The programme intervention areas expect to face high risk of hazard in the following areas: river flood, landslide, Water scarcity, extreme heat and wildfire. The programme will target areas in valleys, semi-arid regions, and riverbanks, which are particularly vulnerable to the climate hazards. The horticulture and agriculture sectors are expected to experience significant challenges due to climate change. Increased drought and decrease in rainfall will reduce water availability while raising agricultural water demand, negatively affecting productivity. Higher temperatures during the growing season are projected to have a severe impact on yields, as short-term temperature extremes, particularly during flowering, can drastically reduce output. Rising temperatures will intensify heat stress on crops and increase water loss through evaporation.	Moderate	Moderate
Mitigations: The programme will include : i) Support to crop with high water productivity iii) Investment in water harvesting and conservation storage infrastructure, iv) investment in protected vegetable production , v) Support rural entrepreneur in businesses increasing food security and requiring minimal land and water resources (such as mushroom production, hydroponics, processing of dry and canned fruits and vegetables)		
Stakeholders	Low	Low
Stakeholder Engagement/Coordination		No risk envisaged - not applicable
There is no risk that the key stakeholders involved in the project will show little interest in or commitment to the project's objectives and activities. Local Implementing partners have a demonstrated capacity to engage with the target group and mobilise their participation in project's activities. Building on the success of past operations, the project's activities and delivery mechanisms will be designed in a way to meet the interests and demand of all target groups, including women, youth and the poorest refugees.		
Stakeholder Grievances	Low	Low
Risk: Ineffective grievance/complaint redress processes (including on allegations of non-compliance with IFAD's SECAP standards, fraud, corruption, or SEA), can lead to unaddressed stakeholder grievances potentially impacting on achievement of REGEF UP objectives. Moreover, poorly designed GRM system, might be inaccessible to more vulnerable groups, such as women and refugees.	Low	Low
Mitigations: The project will raise awareness among stakeholders about the complaints and grievance mechanisms available through the establishment of a PMU-led Grievance Redress Mechanism. Redress Mechanism shall be fully accessible to all target groups and well explained to stakeholders during the programme's start-up workshop and to beneficiaries during the programme's activities. An information campaign will be implemented in partnership with local Implementing partners to ensure that all target groups are aware of the GRM system.		

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Annex 11: Country Level Policy Engagement

Mission Dates: 26/04 to 16/05/2025

Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
Programme Management Department

Annex 11: Country Level Policy Engagement

Introduction

REGEP-UP (Rural Economic Growth and Employment Programme – Upscaling) incorporates a focused Country-Level Policy Engagement (CLPE) strategy to support Jordan’s evolving food security and agricultural policy framework. In alignment with IFAD’s approach and the programme’s Theory of Change, REGEP-UP will support the Government of Jordan (GoJ) in two high-impact areas: (i) the mid-term review and update of the **National Food Security Strategy (NFSS) 2021–2030**, and (ii) the design of the **successor to the National Plan for Sustainable Agriculture (NPSA)**, set to expire in 2025.

The engagement will also include strategic support to the **Higher Council for Food Security (HCFS)**, through knowledge generation and technical contributions to policy processes. The streamlined CLPE focus will allow the programme to remain within a realistic policy engagement budget envelope, while ensuring impact through well-targeted technical support, stakeholder engagement, and evidence uptake.

2. Policy Focus and Rationale

Jordan’s food security and agricultural transformation are guided by two core policies: the **NFSS (2021–2030)** and the **NPSA (2020–2025)**. The HCFS has been designated as the lead body overseeing the implementation and review of the NFSS. Both strategies emphasize sustainable agricultural production, water efficiency, climate resilience, and institutional coordination. As of 2025, the GoJ has indicated the need for:

- A **mid-term review** of the NFSS to assess progress, update priorities, and incorporate new evidence and risks (e.g. from climate variability or regional shocks);
- The design of a **new agricultural strategy** to follow the NPSA, aligned with the Economic Modernisation Vision and Jordan’s NDCs under the Paris Agreement.

REGEP-UP can make a meaningful contribution to both processes by:

- Generating actionable evidence from its pilots and interventions;
- Providing technical inputs (e.g. studies, facilitation, draft policy notes);
- Supporting stakeholder engagement in line with IFAD’s principles of inclusive policy dialogue.

3. CLPE Objectives and Activities

3.1 Support to the Mid-Term Review of the NFSS (2025–2026)

The programme will support the HCFS and Ministry of Agriculture in conducting the NFSS Mid-Term Review through:

- **Rapid assessments and synthesis notes** on REGEP-UP results relevant to the NFSS pillars (e.g. availability, utilization, and climate resilience);
- **One technical policy paper** to consolidate lessons from programme pilots (e.g. water-efficient value chains, gender-nutrition integration);
- **Participation in 1–2 national consultative workshops** led by HCFS to validate findings and update NFSS targets;
- **Policy briefs** (1 expected) summarizing contributions of REGEP-UP to NFSS progress and identifying scalable innovations.

3.2 Input to the Successor Strategy for Agriculture (2026–2030)

Building on field evidence and partner consultations, REGEP-UP will support the Ministry of Agriculture and HCFS in developing a new agricultural strategy by:

- **Contributing technical notes** on climate-smart agriculture (CSA) approaches validated by the programme (e.g. CSA toolkit, cost-benefit estimates);
- **Hosting a learning event** in collaboration with NARC and FAO to present policy recommendations for scaling CSA technologies;
- **Supporting 1 policy roundtable** on aligning the new strategy with water-saving and agri-finance incentives, including participation from Ministry of Water and Irrigation.

3.3 Knowledge Products and Learning

REGEP-UP will produce a **targeted set of knowledge outputs** to inform the above policy processes:

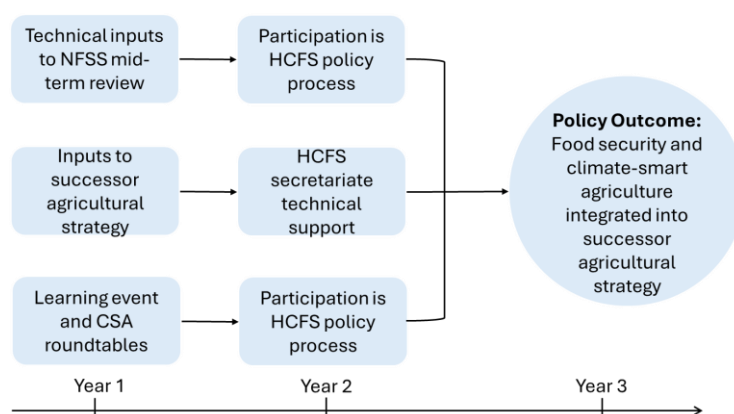
- **3 policy briefs** and **1 CSA knowledge compendium** for use by HCFS and the Ministry of Agriculture;
- **Short video or infographic** summarizing the impact of REGEP-UP on food security, for use in national review sessions;
- **A joint summary note with HCFS** to be submitted to the Cabinet during the NFSS review.

3.4 Support to HCFS Coordination

To reinforce institutional processes without creating parallel structures, the programme will:

- Provide **technical assistance** to the HCFS Secretariat for organizing review sessions and consultations;
- Share programme M&E data with the Food Security Information System to support evidence-based decision-making;
- Participate in up to **HCFS meetings or working groups** during the programme life to provide inputs and updates.

Figure 1: CLPE Activities Flowchart



4. Timeline and Resource Envelope

Activity	Timing	Budget (USD)
Technical input to NFSS mid-term review	2026–2027	40,000
Input to successor agriculture strategy	2026	35,000
Policy briefs and knowledge products	2026–2028	30,000
Learning event and CSA roundtable	2026	15,000
HCFS Secretariat technical assistance	2026–2028	20,000
Participation in HCFS policy processes	2026–2028	10,000
Total Estimated Cost	—	150,000

5. Coordination and Sustainability

CLPE activities will be coordinated by the REGEP-UP Policy Focal Point, in collaboration with the HCFS Secretariat, Ministry of Agriculture Policy Directorate, and other stakeholders including NARC, FAO, and WFP. Sustainability will be promoted by embedding outputs into national strategy documents, aligning timelines with NFSS and NPSA cycles, and enabling national partners to lead implementation of policy reforms and strategy reviews.

REGEP-UP's policy engagement will be focused, pragmatic, and strategic—supporting Jordan's food security and agricultural goals with evidence and inclusive dialogue, while remaining within a realistic resource envelope and avoiding duplication of efforts.

Jordan

Rural Economic Growth & Employment Programme Upscaling (REGEP-UP)

Project Design Report

Annex: Annex 16 Exit And Sustainability Strategy

Mission Dates: 26/04 to 16/05/2025

Document Date: 08/08/2025

Project No. 2000005157

Report No. 7260-JO

Near East, North Africa and Europe Division
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Annex 16: – Exit and Sustainability Strategy

Jordan currently stands at a developmental crossroads, grappling with a confluence of formidable challenges that particularly affect its rural populace. The nation is among the most water-stressed globally, a vulnerability acutely exacerbated by the escalating impacts of climate change, including rising temperatures and increasingly erratic precipitation patterns. These environmental stressors are interwoven with socio-economic reverberations from persistent regional instability, converging with particular severity upon Jordan's rural poor. Agricultural communities, traditionally the backbone of rural life, find their livelihoods increasingly precarious, caught at the nexus of diminishing natural resources and heightened climatic variability. It is within this context of profound environmental adversity, regional volatility, and the pressing needs of its most vulnerable agricultural communities that REGEP-UP intervenes.

The overall goal of REGEP-UP is "to reduce rural poverty, food insecurity and increase households' resilience to economic and climate related challenges in water scarce context". The development objective further aims "to improve the productivity and incomes of the smallholders and generate sustainable employment through tailored support to actors in the selected value chains, including rural MSMEs, to strengthen their integration into competitive and resilient agri-food systems". The very definition of these objectives underscores the necessity for impacts that extend far beyond the programme's finite implementation period. Short-term gains, without a clear pathway to long-term viability, would represent a missed opportunity to address the deep-seated structural issues confronting rural Jordan.

Therefore, a robust and meticulously planned exit and sustainability strategy is not merely an administrative requirement but a strategic imperative for REGEP-UP. The vision for post-programme success is one where empowered rural communities, particularly smallholder farmers, women, and youth, possess the skills, resources, and institutional support to maintain and enhance their livelihoods. This includes the continued adoption of climate-smart agricultural practices, the sustained operation of profitable micro and small enterprises, access to appropriate financial services, and the effective functioning of local organizations. Furthermore, it envisions national and local institutions that have internalized the capacities and approaches fostered by REGEP-UP, ensuring ongoing support and an enabling policy environment for inclusive and resilient rural development.

The formulation of this strategy at an early stage of REGEP-UP, as evidenced in the Programme Design Report (PDR), represents a significant advancement compared to its predecessor, REGEP, where the exit strategy was developed towards the programme's conclusion. This proactive planning allows sustainability considerations to be woven into the fabric of programme activities from their inception, rather than being addressed as an afterthought. This approach significantly enhances the likelihood of achieving lasting impact by aligning interventions with long-term institutional capacities and market realities from the outset.

A cornerstone of REGEP-UP's inherent sustainability is its strong alignment with Jordan's national strategic priorities. The programme is explicitly designed to contribute to the Economic Modernization Vision (2022), the National Water Strategy (2023-2040), the National Agricultural Strategy, the Green Growth National Action Plan, and the National

Climate Change Policy 2022-2050. By embedding its objectives and methodologies within these overarching national frameworks, REGEP-UP ensures that its interventions are not standalone efforts but contribute to broader, government-led development trajectories. This alignment fosters national ownership and increases the probability that the Government of Jordan will have a vested interest in continuing, adapting, or scaling up successful models initiated by the programme, thereby enhancing institutional and policy sustainability long after external funding concludes. This strategic congruence reduces dependency on finite programme cycles and anchors REGEP-UP's legacy within Jordan's own development ambitions.

3. Learning from REGEP: Foundations for REGEP-UP's Long-Term Impact

The Rural Economic Growth and Employment Programme (REGEP), the predecessor to REGEP-UP, aimed to address poverty, vulnerability, and unemployment in rural Jordan by improving access to finance, integrating smallholders into value chains, increasing exports of high-water-value produce, and creating employment. By September 2024, REGEP had reached 20,785 persons, exceeding its target of 14,688, and had contributed to the creation of 7,476 jobs, engaging 2,513 smallholders in agribusiness. An analysis of REGEP's exit strategy and implementation experience provides invaluable lessons that directly inform the design and sustainability planning for REGEP-UP.

Key successes from REGEP's transition offer a blueprint for REGEP-UP. The establishment and strengthening of 689 Savings and Credit Groups (SCGs), many within existing Community-Based Organizations (CBOs), fostered trust and equipped members with skills in collective fund management and business planning. The Farmer Field School (FFS) approach saw high adoption rates of good agricultural practices such as Integrated Pest Management (IPM), supplementary irrigation, and organic fertilization, leading to increased production and improved product quality. The Rural Finance Fund (RFF), managed by the Central Bank of Jordan (CBJ) and Partner Financial Institutions (PFIs), successfully disbursed loans to SMEs and micro-entrepreneurs, with the revolving mechanism already benefiting additional beneficiaries. Furthermore, women accounted for over 60% of REGEP beneficiaries, demonstrating significant strides in gender inclusion and empowerment.

However, REGEP's exit phase also highlighted challenges. A significant limitation was the "limited achievements in rural finance policy reform due to a lack of dedicated technical assistance". While PFIs adapted some loan parameters, a comprehensive training curriculum for designing and managing agricultural products was not fully delivered. The sustainability of initiatives like the Value Chain Working Group was questioned without continued leadership and resources. Ensuring adequate Operations and Maintenance (O&M) for distributed equipment, such as post-harvest tools and greenhouses managed by CBOs, also emerged as a concern requiring clear post-programme responsibility and potentially ongoing support or sustainable management models.

REGEP employed several exit approaches:

- **Phasing Over:** This was successfully applied to the RFF, with CBJ and PFIs assuming full management responsibility. The large demonstration greenhouse was transitioned to NARC for continued operation and research. Similarly, FFS equipment and some post-harvest tools were transferred to CBOs and farming communities. This approach underscores the critical importance of identifying capable and committed national institutions early in the programme cycle and systematically building their capacity to

take over programme-supported functions. REGEP-UP's design, which includes JEDCO, PFIs, ACC, and NARC as key partners, reflects this understanding, making their capacity development a prerequisite for a successful exit.

- **Phasing Out:** REGEP discontinued direct support for activities such as input provision within FFS, some research activities, and direct market linkage support. While such support can be crucial initially, its long-term provision risks creating dependency. This lesson is directly reflected in REGEP-UP's emphasis on "anchoring the beneficiaries more robustly in commercially viable value chains", aiming for market-driven sustainability rather than perpetual programme intermediation. The focus shifts from direct provision to facilitation and empowerment.
- **Scaling Up:** Several REGEP activities were expanded through additional financing, including support for more SCGs and FFS, increased funding for the RFF, and enhanced market development efforts. Further scaling potential was identified for FFS in new crops, grant windows for women, promotion of drought-resistant varieties, and comprehensive capacity building for PFIs. This indicates that successful models can attract further investment if their impact and sustainability are well-demonstrated.

The limited impact of REGEP on rural finance policy due to insufficient technical assistance serves as a critical warning for REGEP-UP. REGEP-UP's Component 3, which includes significant policy engagement objectives such as supporting the National Food Security Strategy (NFSS) review and the National Plan for Sustainable Agriculture (NPSA) successor design, must be adequately resourced with specialized technical assistance. Without this, REGEP-UP risks repeating its predecessor's shortfall, thereby undermining the long-term sustainability of its policy-level contributions. The staffing of the Programme Management and Coordination Unit (PMCU) needs to ensure this TA is available and effectively deployed.

The mainstreaming themes adopted by REGEP-UP—youth-sensitive, nutrition-sensitive, climate finance, adaptive capacity, and gender-transformative—are not merely programmatic labels but act as vital anchors for sustainability. REGEP's success in gender inclusion, where women beneficiaries strengthened their agency and social standing, illustrates how focusing on such themes can lead to more resilient households and communities. By holistically addressing diverse vulnerabilities through these themes, REGEP-UP aims for impacts that are more comprehensive and durable. For example, improved nutrition, a key focus for REGEP-UP, contributes to healthier, more productive individuals, which underpins long-term economic sustainability and resilience.

Table 1: Key Lessons from REGEP's Exit and Strategic Implications for REGEP-UP

REGEP Lesson/Challenge	Specific REGEP Activity/Outcome	Implication for REGEP-UP Design	REGEP-UP Strategic Response/Mitigation
Success: Strong institutional partnerships are key for phasing	RFF transitioned to CBJ/PFIs; Large demo greenhouse to NARC.	Early identification and capacity building of partner institutions are crucial for	REGEP-UP designates JEDCO as lead, with CBJ, ACC, NARC as key implementing

over responsibilities.		sustainable handover.	partners; explicit focus on "Capacity development and institutional strengthening".
Challenge: Direct, prolonged support can create dependency.	Phasing out of direct input provision in FFS and direct market linkage support.	Shift focus from direct provision to facilitation of market-driven, self-sustaining activities.	REGEP-UP emphasizes "anchoring beneficiaries more robustly in commercially viable value chains" and "making activities commercially viable". Focus on business mentoring and market access facilitation (Activities 1.1.2, 1.2.5).
Challenge: Lack of dedicated Technical Assistance (TA) can limit policy impact.	Limited achievements in rural finance policy reform due to absence of dedicated TA.	Policy engagement components require adequate, specialized TA to achieve meaningful and sustainable reforms.	REGEP-UP Component 3 includes policy engagement (NFSS, NPSA support). Strategy must ensure sufficient TA is budgeted and deployed for this component. PMCU staffing to reflect this need.
Success: Empowering women leads to broader community resilience.	Over 60% of REGEP beneficiaries were women; strengthened agency and social standing reported.	Gender-transformative approaches should be central to design for holistic and durable impacts.	REGEP-UP is explicitly "gender-transformative," targeting 40% women beneficiaries, tackling discriminatory norms, and focusing on

			women's economic empowerment and the nutrition-women nexus.
Challenge: Sustainability of programme-initiated groups/committees can be precarious.	Value Chain Working Group activity potentially waning without continued leadership/resources.	Need for formalized, resourced mechanisms for post-programme coordination, ideally integrated into existing permanent national platforms.	REGEP-UP plans coordination committees during programme life. Exit strategy must define how essential coordination (e.g., value chains, water management) will be sustained post-programme, possibly via HCFS or MoA structures.
Success: Business mentoring is highly valued and effective for enterprise success.	REGEP beneficiaries confirmed satisfaction and success due to business mentoring.	Mentorship schemes are critical for enterprise sustainability and should be designed for long-term accessibility.	REGEP-UP includes an enhanced business mentoring scheme (Activity 1.1.2). Exit strategy to explore models for post-programme mentorship (fee-for-service, CBO integration, JRF role).
Challenge: O&M for community-managed assets requires clear plans and responsibility.	Need for sound O&M plans for post-harvest equipment and greenhouses managed by CBOs.	Clear O&M protocols, training, and defined responsibilities are essential for the longevity of programme-provided assets.	REGEP-UP to ensure O&M training for water infrastructure grants. Exit strategy must ensure CBOs/beneficiaries are equipped and responsible for O&M of other assets.

Success: Revolving funds can provide sustained access to finance.	REGEF's RFF successfully revolved funds, benefiting additional enterprises.	Well-designed revolving fund mechanisms, managed by capable financial institutions, are a strong pillar of financial sustainability.	REGEF-UP Component 2 builds on this model, with CBJ/PFIs and ACC managing credit lines, aiming for PFI self-sufficiency and ACC continuity.
Challenge: Ensuring water accountability beyond programme support.	REGEF grant selection didn't initially require detailed water consumption data; later recommended.	Water measurement and cost-awareness must be embedded in farmer practices and institutional advisory for long-term water efficiency.	REGEF-UP introduces a "water accountability component" for grants. Strategy must plan for handover of this practice to farmers and integration into NARC/MoA advisory.

4. REGEF-UP Sustainability and Exit Strategy Framework

The REGEF-UP Sustainability and Exit Strategy Framework is built upon a set of guiding principles and a multi-faceted approach designed to ensure that the programme's contributions to rural Jordan are lasting and self-perpetuating.

4.1 Guiding Principles and Overall Strategic Approach

REGEF-UP's commitment to sustainability is deeply rooted in IFAD's core mainstreaming themes, which are integral to the programme's design and implementation. These include being youth-sensitive, nutrition-sensitive, incorporating climate finance, building adaptive capacity, and adopting a gender-transformative approach. These are not viewed as standalone activities but as fundamental pillars that underpin long-term resilience and equitable development. For instance, the gender-transformative strategy, which aims to empower women economically and address discriminatory norms, builds on REGEF's success where over 60% of beneficiaries were women who reported strengthened agency. Such empowerment contributes directly to more resilient households and, by extension, more sustainable communities. Similarly, enhancing nutrition through education and value chain interventions leads to healthier and more productive individuals, bolstering the economic and social fabric for the long term.

A cornerstone of the strategy is a **market-driven approach** for all economic activities. The programme aims to foster self-reliance among beneficiaries and their enterprises, minimizing the risk of dependency on continued programme support. This involves strengthening value chains in a way that they become commercially viable and self-sustaining, with market actors interacting directly without the need for ongoing programme intermediation.

Empowerment of local actors—including individual farmers and entrepreneurs, CBOs, Farmer Organizations (FOs), and the local private sector—is central to the strategy. By building their technical, managerial, and financial capacities, REGEP-UP aims to create a cadre of local stakeholders who can drive development processes independently post-programme.

The exit from programme support will be **phased and tailored**, recognizing that different interventions will reach maturity at different times and require distinct transition pathways. This approach draws directly from REGEP's experience with phasing over, phasing out, and scaling up specific activities. It allows for a gradual transfer of responsibilities and ensures that support is withdrawn only when local capacities and systems are sufficiently robust.

4.2 Institutional Anchoring: Roles and Responsibilities of Partners Post-Programme

The long-term success of REGEP-UP hinges on the continued engagement and capacity of its key institutional partners. JEDCO, as the lead implementing agency for REGEP-UP and the designated institutional memory and grievance mechanism holder post-REGEP, is positioned as the central anchor for sustaining the programme's legacy. Its own institutional strength, capacity, and ongoing commitment are therefore paramount. MOPIC will retain overall strategic guidance, ensure policy coherence for rural development, and play a crucial role in advocating for future national budget allocations or mobilizing donor support for scaling successful initiatives.

NARC is envisioned as a long-term hub for agricultural knowledge, particularly related to training methodologies, climate-resilient practices, and research findings generated by REGEP-UP. It will be crucial for NARC to integrate these into its ongoing research and extension advisory services. The CBJ, along with the PFIs, will be responsible for the continued sound management of the Rural Finance Fund, including the revolving of funds and the ongoing development and refinement of financial products tailored to the agricultural sector. The ACC will manage the microloan facility, ensuring continued access to affordable finance for micro-enterprises.

CBOs and FOs, strengthened by REGEP-UP, are expected to take on greater roles in local service delivery, facilitating peer-to-peer learning, managing community-level assets (such as post-harvest equipment or small greenhouses from leading farmers' sites), and representing farmers' interests. REGEP-UP's capacity development activities are designed to equip these organizations for such enduring roles.

While REGEP-UP incorporates various coordination committees during its implementation phase (Programme Steering Committee, Technical Committee, Development Partners' Coordination Committee), the experience from REGEP, where the Value Chain Working Group's activity potentially diminished without sustained leadership, highlights a critical need. The exit strategy must therefore advocate for and support the establishment or strengthening of *formalized, adequately resourced mechanisms for post-programme inter-agency coordination* on key themes such as sustainable water management, inclusive value chain development, and rural finance. This could involve integrating these coordination functions into existing permanent national platforms, such as the Higher Council for Food Security (HCFS) or relevant MoA departments, to ensure their longevity beyond programme cycles.

Table 2: REGEP-UP Stakeholder Roles & Responsibilities in Post-Programme Sustainability

Stakeholder	Key Post-Programme Responsibilities	Capacity Building Needs (during REGEP-UP)	Resource Implications (Post-Programme)
JEDCO	Act as institutional memory; manage residual GRM; disseminate knowledge products; support SME development; advocate for scaling successful models.	Enhanced KM systems; long-term strategic planning for rural enterprise support; M&E for sustainability indicators.	Core operational budget; potential need for dedicated staff/unit for KM and post-programme follow-up.
MOPIC	Provide strategic oversight for rural development; advocate for national budget allocations for sustained initiatives; coordinate with other ministries and donors.	Policy analysis and advocacy skills; donor coordination and resource mobilization strategies.	Staff time for policy oversight and coordination.
NARC	Maintain and update FFS curricula and climate-smart agriculture knowledge; continue relevant applied research; support MoA extension services.	Advanced research methodologies; curriculum development for extension; data management for long-term impact tracking.	Core research and operational budget; staff for maintaining demonstration sites and knowledge repositories.
CBJ	Oversee the RFF (SME window); ensure PFI compliance;	Advanced agricultural credit risk management; monitoring systems	Operational costs for RFF oversight; staff time for PFI

	support PFI capacity for agri-lending; contribute to financial sector policy.	for RFF performance; PFI supervision.	engagement and policy work.
PFI	Manage their portion of RFF commercially; develop and offer sustainable agri-finance products using own resources; apply ESMS.	Internalization of agri-finance expertise (tech maps, risk tools); product development; ESMS implementation and monitoring.	Own capital for lending; operational costs for agri-loan portfolio management; staff training.
ACC	Manage the microloan facility sustainably; ensure outreach to target micro-enterprises; apply ESMS; improve loan discipline and product flexibility.	Enhanced credit appraisal and recovery for microloans; MIS for portfolio tracking; ESMS implementation.	Operational budget for microloan facility; systems for loan management and reporting.
CBOs/FOs	Manage community assets; facilitate peer learning; provide local services (e.g., mentorship, input aggregation); advocate for member interests.	Financial management; organizational governance; asset management (O&M); advocacy and networking.	Member contributions; potential fee-for-service models; leveraging other local development programmes.
Private Sector (Agribusinesses, SMEs)	Maintain commercial relationships with smallholders; invest in value chain upgrades; adhere to quality and environmental standards.	Business planning; quality management; sustainable sourcing practices.	Own investment capital; operational costs for business activities.

MoA/Extension Services	Integrate training methodologies and CSA practices into national extension programs; collect data on water use and agricultural performance.	Training of extension staff on REGEP-UP innovations; M&E for practice adoption.	National budget for extension services; staff time and operational costs for delivering updated advisory.
HCFS	Utilize REGEP-UP data and lessons for national food security planning and coordination; sustain inter-agency dialogue platforms.	Data analysis for policy; coordination and facilitation skills.	Core operational budget for secretariat and working groups.

4.3 Pathways to Financial Viability and Resource Mobilization

Ensuring the financial self-sufficiency of programme-supported activities and beneficiaries is paramount for long-term sustainability. For grant-supported enterprises and farmer activities under Component 1, the emphasis is on achieving commercial viability through robust market linkages, enhanced business management skills, and improved production and processing efficiencies. The business mentoring and market access support are critical investments in this regard, aiming to transition beneficiaries from grant-dependency to market-based profitability. This aligns with REGEP's experience where grantees confirmed the anticipated sustainability of most grant-supported programmes, particularly when coupled with effective business mentoring.

The Rural Finance Fund (RFF), a central pillar of Component 2, is designed with an inherent sustainability mechanism through its revolving nature. Building on REGEP's successful model where repaid funds were re-lent, REGEP-UP's RFF will continue to be managed by the CBJ and PFIs for SME loans, and by the ACC for microloans. The strategy is for PFIs to eventually "graduate" from reliance on programme-supplied credit lines and technical assistance, using their own capital and embedded expertise to serve the rural and agricultural sector profitably. This transition requires the technical assistance provided under REGEP-UP (Activity 2.2) to be genuinely transformative for PFI internal capacity and risk perception regarding agricultural lending. ACC's role in providing affordable microloans addresses a critical market gap; its long-term sustainability as a public institution providing this service, potentially with ongoing government support or clear policy direction, is vital, especially given some identified institutional weaknesses.

Beyond the RFF, the continuation or scaling up of other successful REGEP-UP interventions, such as expanded training programs or the dissemination of new climate adaptation technologies, will necessitate proactive resource mobilization. As indicated by REGEP's exit strategy, this involves exploring diverse funding avenues, including allocations from the

national government budget (e.g., for MoA extension services to adopt training/mentoring models), tapping into other donor-funded programmes (several of which are active in Jordan's agricultural sector), and encouraging private sector investment where appropriate. JEDCO and MOPIC will play a key role in identifying and pursuing these opportunities.

Where community-managed assets are established (e.g., CBO-managed post-harvest equipment), the development of appropriate cost-recovery mechanisms (e.g., user fees for equipment rental, as piloted with olive crates in REGEP) will be explored and supported to cover O&M costs and ensure long-term functionality.

4.4 Ensuring Environmental Resilience and Climate Adaptation

Given Jordan's extreme water scarcity and vulnerability to climate change, environmental sustainability is a non-negotiable aspect of REGEP-UP's legacy. The programme actively promotes climate-smart agricultural (CSA) practices and water-efficient technologies throughout Component 1. The long-term adoption of these practices by farmers is a primary goal. This requires not only initial training and asset provision but also ongoing reinforcement through extension services and peer learning.

A critical innovation in REGEP-UP is the "water accountability component" linked to grants (Activity 1.1.3) and the broader focus on maximizing "value per drop". Sustaining this requires embedding water measurement and cost-awareness into routine farming practices. This could be achieved if farmers internalize the economic benefits of efficient water use, a key objective of the programme's training. Furthermore, institutional reinforcement by NARC or the MoA, potentially by integrating water use efficiency data into agricultural statistics or standard advisory packages, would solidify this practice.

Clear Operations and Maintenance (O&M) plans for all water-related infrastructure, such as rainwater harvesting ponds and irrigation networks, are essential. Learning from REGEP, where O&M for some equipment was a concern, REGEP-UP will ensure beneficiaries are thoroughly trained in O&M and that responsibilities for upkeep are clearly assigned and accepted before programme exit.

The integration of environmental and social safeguards into the lending practices of PFIs and ACC is another crucial element (Component 2). REGEP-UP will support the development and implementation of Environmental and Social Management Systems (ESMS) within these financial intermediaries, including Environmental and Social Action Plans (ESAPs) for ACC and CBJ. The true test of sustainability lies in whether these FIs continue to apply robust E&S screening to *all* relevant lending activities post-programme, driven by their own institutional policies or national regulations, not solely for IFAD-funded portions. This requires a long-term commitment from the FIs and potentially ongoing oversight from regulatory bodies like CBJ.

Mechanisms for ongoing monitoring of water use and broader environmental impacts post-programme will be explored, potentially through NARC's research programs or the MoA's data collection efforts. This will help track the long-term effectiveness of REGEP-UP's environmental interventions and inform future policy.

4.5 Fostering Social Equity: Sustaining Benefits for Women, Youth, and Vulnerable Groups

REGEP-UP is designed to be youth-sensitive, nutrition-sensitive, and gender-transformative, with specific targets for reaching women (40%) and youth (30%). Building on REGEP's success, where women constituted over 60% of beneficiaries and reported strengthened agency, REGEP-UP aims to ensure the continued economic empowerment and enhanced voice for women. This involves not just access to resources and training but also tackling discriminatory gender norms through dialogue sessions.

Addressing Jordan's high youth unemployment is a key priority. Strategies for ongoing support to youth-led enterprises and employment opportunities will be crucial. This may involve JEDCO continuing to champion youth entrepreneurship programs or PFIs offering youth-friendly financial products beyond the programme's lifespan.

The programme also targets refugees and other vulnerable households. Sustaining benefits for these groups requires ensuring their continued access to mainstream economic opportunities, financial services, and social support systems post-programme. This may involve linking them with ongoing national programs or services provided by specialized NGOs.

The long-term sustainability of social equity gains requires a shift from programme-specific targeting quotas to the systemic inclusion of women, youth, and vulnerable groups in mainstream economic activities and decision-making processes. This means that partner institutions like JEDCO, PFIs, and MoA need to embed inclusive practices into their core mandates and operational procedures.

Sustaining behavioral changes, such as improved nutrition practices and more equitable gender norms, which REGEP-UP promotes through education and dialogue, presents a long-term challenge. Development experience shows that such changes require continuous reinforcement. Post-programme, this reinforcement could come from community-level structures (e.g., CBOs continuing gender dialogues), integration into national health and education programs (e.g., Ministry of Health promoting nutrition messages developed by the programme), or ongoing media campaigns. REGEP-UP can lay the groundwork by developing high-quality, culturally appropriate materials and training local facilitators who can continue these efforts.

5. Component-Specific Sustainability and Exit Strategies for REGEP-UP

5.1 Component 1: Climate resilient and inclusive value chain development

Component 1 of REGEP-UP focuses on enhancing the climate resilience, productivity, and market integration of small-scale farmers and micro-entrepreneurs involved in production and processing. Its sustainability hinges on institutionalizing knowledge, ensuring the viability of supported enterprises, and fostering self-reliant market linkages.

- **Microentrepreneurs production and processing (Sub-component 1.1):**
 - **Farmer's mentoring and Training:** The knowledge, curricula (including climate-resilient practices, organic farming, IPM, and pro-poor water-efficient techniques), and training methodologies developed and refined under REGEP-UP will be systematically transitioned to NARC and the Ministry of Agriculture's extension services. This ensures that the capacity to deliver high-quality, practical training to farmers continues beyond the programme. REGEP's experience showed that NARC facilitators and active WhatsApp groups could sustain knowledge sharing.

REGEP-UP will build on this by identifying "champion" farmers from previous phases to support new facilitators and provide peer coaching. Model plot farmers and participating CBOs will be encouraged and supported to continue demonstrations and peer learning activities. The institutionalization of training/mentoring within MoA/NARC structures, potentially with core budget allocations, is a key policy advocacy point for REGEP-UP's Component 3.

- **Business Mentoring:** The enhanced business mentoring scheme is critical for the success of micro-enterprises. For sustainability, various models will be explored: encouraging mentors (recruited locally, as in REGEP) to offer services on a fee-for-service basis once beneficiaries experience their value; integrating mentorship into the regular service offerings of CBOs or FOs; or JRF continuing to facilitate mentorship linkages if new funding sources are secured. JRF's database of REGEP mentors will be an asset for REGEP-UP and future initiatives.
- **Grants for Production & Processing:** The sustainability of grant-supported investments (e.g., for water-efficient irrigation, small processing infrastructure) depends on the commercial viability of the resulting enterprises and the proper O&M of assets. REGEP-UP's requirement for a 5% beneficiary contribution and the emphasis on developing bankable business proposals are steps in this direction. The "water accountability component" integrated into each water-saving grant is crucial. Beneficiaries must be thoroughly trained to continue monitoring their water use and understand the economic benefits, thereby internalizing the practice. Handover of this monitoring practice to farmers, potentially reinforced by NARC/MoA advisory, is vital. Clear O&M training and defined responsibilities for all grant-provided assets, learning from REGEP's O&M challenges with CBO-managed equipment, will be ensured.
- **Value Chain & SME Development (Sub-component 1.2):**
 - **Market Linkages:** REGEP-UP will focus on fostering direct, sustainable commercial relationships between producers, SMEs, and markets, moving away from programme-dependent facilitation. This aligns with REGEP's lesson that such linkages should not require continued public agency involvement. The aim is for buyers and sellers to continue transacting based on commercial merit post-programme.
 - **SME Upgrading:** The matching grants for SME upgrades (e.g., for grading/sorting, processing facilities, advanced production technologies) are intended to enhance their competitiveness. The 25% beneficiary contribution and the requirement for a profitable business plan are important. Long-term sustainability will be judged by these SMEs' ability to reinvest, innovate, and expand using their own earnings or commercial finance (from Component 2), and their continued sourcing from smallholder farmers. The business development services provided (Activity 1.2.4) are critical for this.

5.2 Component 2: Ensuring the Legacy of Inclusive and Catalytic Rural Finance

Component 2 aims to create a lasting impact on the rural financial landscape by improving MSME access to finance, strengthening PFI capacity, and enhancing financial literacy. Its sustainability strategy focuses on institutionalizing these changes.

- **Rural Finance Fund (RFF) Sustainability:** The core of this sub-component is the establishment of two credit lines: SME loans via the CBJ financing facility and microloans via ACC. The revolving fund mechanism, where loan repayments are re-lent, is designed for continuity, as successfully demonstrated by REGEP. Post-

programme, CBJ will continue to oversee the SME loan portfolio with PFIs, and ACC will manage the microloan portfolio. The key to sustainability is ensuring these institutions maintain the focus on the target groups and agricultural value chains, and that the funds continue to revolve effectively.

- **PFI Capacity and "Graduation":** A critical sustainability outcome is for PFIs to internalize the agri-finance know-how (e.g., use of "technological maps," agricultural risk assessment, tailored product design) and begin allocating their own resources to the agricultural sector, reducing reliance on programme funding. The technical assistance provided by REGEP-UP must be robust enough to transform PFIs' internal capacities and risk perceptions. REGEP showed PFIs could adapt some products ; REGEP-UP aims to deepen this capability. The success will be measured by PFI lending behaviours using their own capital after programme funds are depleted.
- **ACC's Role and Capacity:** ACC's provision of affordable microloans addresses a significant market need. Given its status as a government agency, its long-term commitment and operational efficiency are crucial. REGEP-UP includes TA to help align ACC's systems with programme requirements, but ongoing government support or policy direction might be needed to ensure the sustainability of its services, especially addressing weaknesses noted in REGEP-UP's PDR.
- **Financial Literacy Integration:** Standalone financial literacy programs often lose momentum post-programme. REGEP-UP plans to develop materials based on the G20/OECD framework and deliver training through local facilitators, leveraging programme platforms and "teachable moments". For lasting impact, these financial literacy modules and materials should be integrated into the ongoing services of PFIs (e.g., during loan application), ACC's outreach, community education programs, or hosted on a permanent platform by CBJ.
- **Jordan Loan Guarantee Corporation (JLGC) Partnership:** The collaboration with JLGC to mitigate collateral constraints for rural borrowers should be nurtured for long-term continuation. If the guarantee scheme proves effective, JLGC may see a business case for continuing or expanding its agricultural portfolio.

5.3 Component 3: Embedding Policy Influence and Transitioning Programme Management

Component 3 focuses on policy engagement and effective programme governance, both of which are critical for long-term impact.

- **Policy Engagement:** REGEP-UP aims to influence national strategies by providing inputs to the NFSS mid-term review and the design of the NPSA successor, and by promoting CSA approaches. The sustainability of this influence depends on the genuine adoption and utilization of REGEP-UP's policy recommendations and knowledge products (e.g., policy briefs, CSA compendium) by the Government of Jordan, particularly MoA and HCFS. REGEP's experience with its Value Chain Working Group suggests that programme-led initiatives can fade without strong institutional ownership. Therefore, REGEP-UP must act as a catalyst, ensuring that the *processes* of evidence-based policymaking and inter-agency coordination (e.g., through HCFS support) become self-sustaining within government structures. This requires robust TA for Component 3 activities.
- **Transitioning Programme Management:**
 - **PMCU Phasedown:** In the final stages of REGEP-UP, the PMCU functions will be systematically phased down.
 - **Handover of Assets:** All M&E data, knowledge products (studies, manuals,

communication materials), and asset registers will be formally handed over to JEDCO as the primary long-term repository, and to other relevant partners like NARC (for training materials) and CBJ/ACC (for RFF data), building on REGEP's handover process. JEDCO's capacity to manage and disseminate this knowledge effectively post-programme is crucial. This requires more than passive storage; it implies active curation and sharing with future initiatives and policymakers.

- **Grievance Redress Mechanism (GRM):** The programme's GRM will be transitioned to JEDCO to ensure that stakeholders have a continued avenue for feedback or complaints related to programme legacy issues. JEDCO will need to ensure this mechanism remains accessible and functional.
- **Final Reporting and Closure:** All final reports, including the Programme Completion Report and final audits, will be completed as per IFAD and government requirements.

Table 3: Summary of Exit Approaches (Phase-Over, Phase-Out, Scale-Up) for REGEP-UP Components and Key Activities

REGEP-UP Component/Sub-component/Activity	Proposed Exit Approach	Key Actions for Transition	Tentative Timeline (Months before programme end)
Comp 1.1: Climate Resilient Production & Business Development			
Mentoring & Training Curricula	Phase Over to NARC/MoA Extension	Formalize handover of curricula, ToT materials; Train core MoA/NARC trainers; Support integration into national extension plans.	24-12
Business Mentoring	Phase Over (to CBOs /Fee-for-service) / Scale-Up Potential	Develop sustainable mentorship models; Train CBO-based mentors; JRF to explore continued support if funded.	18-6

Grants for Production & Processing (Water Efficiency & Processing Equipment)	Phase Out (direct grant provision) / Phase Over (O&M to beneficiaries)	Complete all grant disbursements; Ensure all O&M training completed and responsibilities clear; Finalize water accountability data.	12-0
Comp 1.2: Value Chain & SME Development			
Market Linkage Facilitation	Phase Out (direct programme facilitation) / Phase Over (direct B2B relationships)	Strengthen direct SME-buyer links; Disseminate market information.	18-6
SME Matching Grants & Capacity Building	Phase Out (grant provision) / Phase Over (SME self-sufficiency)	Ensure upgraded SMEs are commercially competitive; BDS support focuses on long-term viability.	12-0
Comp 2: Inclusive and Catalytic Finance			
RFF (SME Loans via CBJ/PFIs)	Phase Over to CBJ/PFIs	CBJ/PFIs assume full RFF management; Ensure revolving mechanism is robust; PFIs utilize own capital for agri-lending.	Ongoing, full transition by programme end
RFF (Microloans via ACC)	Phase Over to ACC	ACC assumes full microloan facility management; Ensure continued	Ongoing, full transition by programme end

		outreach and affordability.	
PFI Technical Assistance (Agri-finance capacity)	Phase Out (direct TA) / Phase Over (PFI internalized capacity)	Complete all TA activities; Ensure PFIs have embedded new tools (tech maps) and policies.	12-6
Financial Literacy	Phase Out (direct programme delivery) / Phase Over (to CBJ/PFIs/ACC/Community Ed.)	Integrate FL materials into PFI/ACC client services; CBJ to host resources; Train community educators.	18-6
Comp 3: Policy Support and Programme Management			
Policy Engagement (NFSS, NPSA, CSA)	Phase Over (policy adoption to GoJ – MoA, HCFS)	Finalize and disseminate all policy briefs/knowledge products; Ensure GoJ entities integrate recommendations into strategies/plans.	12-0
HCFS Coordination Support	Phase Over to HCFS Secretariat	Transition coordination tools and processes to HCFS.	12-6
PMCU Operations & M&E System	Phase Out (PMCU) / Phase Over (data/KM to JEDCO, NARC etc.)	Systematically archive all programme documents, M&E data, KM products;	6-0

		Formal handover to JEDCO and relevant partners.	
Grievance Redress Mechanism	Phase Over to JEDCO	Ensure JEDCO has capacity and procedures to manage residual grievances.	6-0

6. Cross-Cutting Mechanisms for Enduring Impact

Beyond component-specific strategies, several cross-cutting mechanisms are vital for ensuring that REGEP-UP's positive impacts are sustained and continue to evolve after the programme concludes.

6.1 Knowledge Management and Dissemination for Continued Learning

REGEP-UP is designed to systematically generate, manage, and disseminate evidence to inform operations and influence policy. The sustainability of this function relies on effective handover and continued accessibility of knowledge products. All final outputs—including policy briefs (e.g., on water-efficient value chains, gender-nutrition integration), the Climate-Smart Agriculture (CSA) knowledge compendium, technical studies, mentoring curricula, training manuals, and M&E reports—will be finalized and disseminated widely to key stakeholders such as HCFS, MoA, NARC, PFIs, ACC, and CBOs.

Learning from REGEP, where JEDCO became the final repository for knowledge products and NARC retained extensive FFS materials, REGEP-UP will ensure a similar structured handover. JEDCO will serve as the central long-term steward for REGEP-UP's documented knowledge, requiring a sustainable system for archiving, accessing, and sharing this information with future programmes, researchers, and policymakers. This is more than passive storage; it necessitates an active curation and dissemination role for JEDCO. NARC will maintain its repository of agricultural research and training materials, while CBJ could host financial literacy resources on its platform.

To ensure this knowledge remains dynamic and utilized, passive repositories must be complemented by active dissemination strategies post-programme. For example, NARC could conduct periodic refresher workshops for new extension staff using REGEP-UP's training modules, or JEDCO could proactively share relevant studies with new donor initiatives in Jordan.

Mechanisms for continued peer-to-peer learning among beneficiaries, which proved effective in REGEP (e.g., active farmers' training WhatsApp groups), will be encouraged. This could involve CBOs or FOs taking the lead in organizing experience-sharing events or maintaining digital communication platforms.

6.2 Post-Programme Monitoring, Evaluation, and Adaptation

While the comprehensive M&E system of REGEP-UP is not sustainable in its entirety without dedicated programme funding, a light-touch approach to monitoring key sustainability indicators is essential. JEDCO, in collaboration with MOPIC and relevant line ministries (MoA, Ministry of Water and Irrigation), should identify a limited set of easily measurable indicators. These could track, for example, the continued adoption rates of key CSA practices, the health and outreach of the RFF portfolio managed by PFIs/ACC, the survival and growth rates of programme-supported SMEs, or the operational status of community-managed assets. Responsibility for collecting and reporting on these indicators should be assigned to the relevant permanent institutions.

Table 4: Key Performance Indicators for Monitoring REGEP-UP Sustainability Post-Programme

Sustainability Area	Key Indicator	Data Source	Responsible Institution(s) for Monitoring	Frequency
Climate Resilient Agriculture	% of former beneficiary farmers continuing to use key water-efficient/CSA practices (e.g., drip irrigation, RWH, IPM)	Sample surveys by MoA/NARC; FO records	MoA, NARC	Biennial
	Water productivity (crop value/m ³ water) for selected value chains in former programme areas	MoA/NARC data collection; Market surveys	MoA, NARC, Min. of Water	Biennial
Rural Finance	Value and number of agricultural loans disbursed by PFIs/ACC from RFF (and own	PFI/ACC portfolio reports	CBJ, ACC	Annual

	funds to agri-sector)			
	RFF portfolio quality (e.g., PAR >30 days)	PFI/ACC portfolio reports	CBJ, ACC	Annual
SME & Micro-Enterprise Viability	Survival/growth rate of REGEUP-supported enterprises (sample-based)	JEDCO surveys; Business registries	JEDCO	Every 2-3 years
	% of supported enterprises maintaining/increasing employment	JEDCO surveys	JEDCO	Every 2-3 years
Institutional Capacity & Ownership	Continued operation of training/mentorship models by NARC/MoA/CBOs	MoA/NARC reports; CBO activity logs	MoA, NARC, JEDCO	Annual
	Functionality and utilization of community-managed assets (e.g., post-harvest equipment)	CBO/FO reports; Spot checks	JEDCO, Local Gov.	Annual
Social Equity (Women & Youth)	% of women/youth maintaining active enterprises or employment	JEDCO follow-up surveys	JEDCO	Biennial

	initiated/supported by REGEUP-UP (sample)			
Policy Environment	Continued implementation of REGEUP-UP influenced policies/strategies (e.g., within NFSS, NPSA)	Government reports; Policy reviews	MOPIC, HCFS, MoA	Periodic

This framework for post-programme M&E will enable stakeholders to gauge the long-term success of REGEUP-UP and identify if critical interventions are losing efficacy, allowing for adaptive responses where feasible.

Possibilities for light-touch post-programme impact assessments or thematic studies could be explored, potentially conducted by national research institutions like NARC, universities, or integrated into the design of future development programmes in the sector. Beneficiary and local institutional feedback mechanisms, possibly managed by JEDCO or local government structures, should also be maintained to inform the adaptive management of any sustained activities.

6.3 Proactive Risk Management for Sustained Outcomes

Risks to development outcomes do not cease with programme closure. Many of the external risks identified in REGEUP-UP's PDR, such as macroeconomic instability, policy shifts, and the escalating impacts of climate change (e.g., severe water scarcity, extreme weather events), are long-term by nature. A critical aspect of the sustainability strategy is to empower key national partners, primarily JEDCO and MOPIC, to continue monitoring these overarching risks and their potential impact on the gains achieved by REGEUP-UP.

This involves JEDCO and MOPIC maintaining an awareness of the evolving socio-economic and environmental context and advocating for adaptive measures or policy adjustments by relevant national bodies (e.g., MoA, Ministry of Environment, HCFS) as needed. For instance, if new water policies inadvertently disadvantage smallholders using REGEUP-UP promoted technologies, these institutions should be positioned to highlight such impacts and propose remedies.

Mitigation strategies for these long-term risks often lie within broader national policy and institutional responses. REGEUP-UP's contribution is to build resilience at the local level (through CSA, diversified livelihoods, stronger enterprises) and to strengthen the capacity of national partners to engage in evidence-based policy dialogue and planning, making the overall system more adaptive.

7. Roadmap for Phased Exit and Transition to Sustainability

A clear, well-communicated, and adhered-to phased exit roadmap is essential for REGEP-UP to ensure a deliberate and orderly transition to sustainable, locally-owned development processes. This is particularly important given REGEP's experience with multiple extensions, which, while sometimes necessary, can blur lines of responsibility and delay true handover. The exit roadmap should commence approximately 18-24 months before the official programme completion date.

Phase 1: Consolidation and Capacity Culmination (24-18 months before programme end)

- **Focus:** Finalizing all major capacity-building initiatives for beneficiaries and partner institutions. Ensuring all technical training (mentoring, business management, financial literacy, O&M for assets) is completed to a high standard.
- **Key Milestones:**
 - Completion of all beneficiary training cycles.
 - Partner institutions (NARC, PFIs, ACC, CBOs) confirm readiness to assume long-term roles based on agreed capacity benchmarks.
 - Draft handover plans for specific assets and knowledge products developed.
 - Initial stakeholder consultations on the exit process and post-programme responsibilities.

Phase 2: Transition and Handover (18-6 months before programme end)

- **Focus:** Gradual transfer of operational responsibilities, assets, and knowledge products to designated long-term custodians. Intensified support for institutionalizing successful models.
- **Key Milestones:**
 - Formal handover of training curricula and ToT capacity to NARC/MoA.
 - PFIs and ACC fully managing RFF operations with minimal programme oversight, demonstrating use of internalized agri-finance tools.
 - Community-managed assets (e.g., training/pilot demo equipment, CBO-run processing units) operating under agreed local management plans with O&M systems in place.
 - Knowledge products (manuals, studies, policy briefs) finalized, translated (if necessary), and disseminated to JEDCO and other relevant repositories.
 - Finalization of the post-programme M&E indicator list and agreement on institutional responsibilities for tracking.
 - PMCU begins systematic archiving of all programme documentation.

Phase 3: Finalization and Closure (Last 6 months of programme)

- **Focus:** Completion of all programme-funded activities, final disbursements, programme completion reporting, and formal closure procedures. Ensuring all sustainability mechanisms are operational.
- **Key Milestones:**
 - All grant and loan disbursements completed and reconciled.
 - Final COI survey and Programme Completion Report (PCR) prepared and submitted.
 - All programme assets formally transferred as per handover plans.
 - Final audits completed.
 - PMCU functions fully wound down, with essential residual functions (e.g., GRM contact point at JEDCO) confirmed.

- Final communication to all stakeholders regarding programme closure and ongoing sustainability arrangements.

Throughout this roadmap, a **clear and consistent communication plan** will be implemented by the PMCU. This plan will keep all stakeholders—government partners, implementing agencies, beneficiaries, and IFAD—informed about the progress of the exit strategy, timelines, roles, and expectations. This proactive communication will be crucial for managing expectations, ensuring smooth transitions, and fostering continued commitment to the programme's long-term goals. The phasing and implementation plan for Component 2 activities outlined in the PIM provides a useful template for detailing the annual progression towards exit for that specific component, which can be adapted for others.

8. Strategic Guidance for Stakeholders

To ensure the successful implementation of this Exit and Sustainability Strategy and the enduring impact of REGEP-UP, the following strategic guidance is directed at key stakeholders:

For JEDCO / Programme Management and Coordination Unit (PMCU):

1. **Champion Sustainability:** Actively lead the implementation of this exit strategy, ensuring that sustainability considerations are integrated into all remaining programme activities and planning processes.
2. **Strengthen Institutional Memory:** Develop and resource a robust system for the long-term archiving, management, and active dissemination of all REGEP-UP knowledge products, M&E data, and lessons learned, building on its role as repository for REGEP.
3. **Oversee Handover Processes:** Meticulously manage the formal handover of assets, responsibilities, and knowledge to designated partner institutions and beneficiary groups, ensuring clarity on O&M and future use.
4. **Maintain Grievance Redress:** Ensure the programme's Grievance Redress Mechanism remains accessible and functional through JEDCO for a defined period post-programme to address any residual issues.
5. **Facilitate Post-Programme Coordination:** Proactively engage with MOPIC and other partners to support the establishment or strengthening of formalized post-programme coordination mechanisms for key thematic areas (e.g., value chains, water management).
6. **Monitor Key Sustainability Indicators:** Take lead responsibility, in collaboration with MOPIC and line ministries, for tracking a select set of agreed-upon post-programme sustainability indicators (as per Table 4).

For the Ministry of Planning and International Cooperation (MOPIC):

1. **Policy Coherence and Advocacy:** Continue to champion policies that support inclusive and climate-resilient rural development, ensuring that the gains and lessons from REGEP-UP inform national strategies (e.g., future iterations of NFSS, NPSA).
2. **Secure National Resources:** Advocate for the allocation of national budget resources to sustain successful REGEP-UP models that align with government priorities, particularly for MoA extension services (FFS integration), NARC research, and HCFS coordination functions.
3. **Donor Coordination for Follow-on Support:** Actively coordinate with IFAD and

other development partners to identify and mobilize resources for scaling up successful REGEP-UP interventions or addressing emerging needs in the rural sector.

4. **Strategic Oversight:** Provide ongoing strategic oversight for the long-term sustainability of rural development initiatives, ensuring that lessons from programmes like REGEP-UP contribute to Jordan's broader development vision.

For IFAD:

1. **Supervise Exit and Transition:** Intensify supervision and implementation support during the final 18-24 months of REGEP-UP, with a specific focus on the effective execution of the exit and sustainability plan.
2. **Support Policy Dialogue:** Continue to support GoJ policy dialogue processes related to food security, climate-resilient agriculture, and inclusive rural finance, leveraging REGEP-UP's evidence and experiences.
3. **Knowledge Sharing:** Facilitate the sharing of REGEP-UP's lessons and successful models within IFAD's global network and through South-South and Triangular Cooperation initiatives.
4. **Future Programming:** Consider REGEP-UP's achievements and remaining challenges when designing future investments in Jordan, ensuring complementarity and building upon the established foundation.

For Implementing Partners (NARC, CBJ, ACC, PFIs, etc.):

1. **Internalize Capacities:** Fully internalize the technical, managerial, and operational capacities built or strengthened through REGEP-UP (e.g., NARC's FFS expertise, PFIs' agri-finance tools, ACC's microloan management, NGOs community mobilization skills).
2. **Fulfill Post-Programme Roles:** Commit to and actively fulfill the agreed-upon post-programme responsibilities outlined in this strategy (e.g., NARC continuing knowledge dissemination, CBJ/PFIs/ACC managing the RFF, JRF linking SCGs to new opportunities).
3. **Resource Allocation:** Where applicable, allocate internal resources (human and financial) to continue activities or services initiated by REGEP-UP that align with their institutional mandates (e.g., PFIs using own capital for agri-lending).
4. **Continued Collaboration:** Maintain collaborative relationships with other former REGEP-UP partners to share information, address common challenges, and leverage synergies for sustained impact.
5. **ESMS Application (PFIs/ACC):** Consistently apply and further strengthen Environmental and Social Management Systems for all relevant operations, not just those linked to past IFAD funding.

For Beneficiary Groups / CBOs / FOs:

1. **Take Ownership:** Actively take ownership of the skills, knowledge, assets, and enterprises developed or supported by REGEP-UP.
2. **Manage Assets Sustainably:** Implement agreed O&M plans for community-managed assets (e.g., irrigation equipment, processing facilities, demo plots), potentially using cost-recovery mechanisms.
3. **Continue Peer Learning:** Maintain and utilize peer-to-peer learning networks (e.g., training groups, SCG networks) for ongoing knowledge exchange and problem-solving.
4. **Advocate for Needs:** Collectively advocate for their interests and needs with local

government, service providers, and market actors to ensure continued support and access to opportunities.

5. **Embrace Commercial Viability:** For entrepreneurs and SMEs, continuously strive for commercial viability and market competitiveness, reinvesting in their businesses and seeking market-based financial services.

9 Ensuring Sustainability of Supply Chain Products: Mechanisms for Biodiversity, Pollution, and Labour Risk Management

REGEP-UP is committed to fostering sustainable supply chain products, integral to its goal of reducing rural poverty and increasing resilience. Addressing biodiversity, pollution, and labour risks is a strategic imperative for building resilient agri-food systems in Jordan, a nation facing water scarcity and climate change. This section outlines mechanisms to mitigate these risks, ensuring long-term viability and responsibility.

Mechanisms for Biodiversity Protection and Enhancement

REGEP-UP acknowledges the fragility of Jordan's ecosystems and will safeguard biodiversity through:

- **Farm-Level Safeguards and Practices:** Promoting Climate-Smart Agriculture (CSA) including water-saving techniques (efficient irrigation, rainwater harvesting), Integrated Pest Management (IPM), organic farming, soil conservation (organic fertilizers, compost, crop rotation), and use of drought-tolerant/native/adapted crop varieties, while prohibiting GMOs and invasive alien species. Infrastructure grants will be screened to ensure they do not necessitate clearing natural habitats, preferring existing agricultural land.
- **Biodiversity Considerations in Processing and Market Linkages:** Guiding Small and Medium-sized Enterprises (SMEs) towards sustainable sourcing and efficient resource use (water, energy) in processing to minimize environmental footprints.
- **Verification and Monitoring:** Implementing IFAD's Social, Environmental, and Climate Assessment Procedures (SECAP) for due diligence, rigorously applying exclusion lists prohibiting finance for activities harmful to biodiversity, and using the Monitoring and Evaluation (M&E) system to track adoption of biodiversity-friendly practices (e.g., Logframe indicator 3.2.2).

Mechanisms for Pollution Prevention and Control Across Supply Chains

REGEP-UP will minimize pollution from agricultural production and processing through:

- **Farm-Level Pollution Mitigation:** Emphasizing safe and reduced agrochemical use through capacity building on correct application, storage, and disposal, with a strong focus on IPM, bio-pesticides, and organic fertilizers. Pesticide purchases are excluded from grant financing; any demonstration plot use will be non-Highly Hazardous Pesticides (HHPs) with strict guidance. Water-saving irrigation and soil conservation will reduce agricultural runoff. On-farm waste management, including mitigating plastic pollution, will be addressed through training.
- **Pollution Management in SME Processing and Value Addition:** Supporting SMEs (via matching grants) to adopt cleaner production technologies (water recycling, energy efficiency like solar, better waste management). SMEs will receive capacity building on managing solid organic waste, wastewater treatment, and controlling air emissions, guided by Environmental and Social Management System (ESMS) requirements for loans.

- **Verification and Monitoring:** Mandatory ESMS implementation by financial intermediaries (Agricultural Credit Corporation (ACC), Central Bank of Jordan (CBJ), Participating Financial Institutions (PFIs)) to screen loans for pollution risks. Grant proposals will be reviewed for pollution impacts, enforcing exclusion lists. SECAP checklists will be used for grant-funded construction supervision.

Mechanisms for Upholding Labour Standards and Promoting Decent Work

REGEP-UP is committed to fair, safe, and equitable working conditions by:

- **Ensuring Fair and Safe Labour Practices at Farm Level:** Sensitizing farmers on national labour laws (minimum wage, working hours). Providing Occupational Safety and Health (OSH) training (safe input handling, Personal Protective Equipment (PPE) use). Preventing child labour through awareness of laws and negative impacts. Addressing gender pay gaps and advocating for safer working conditions for women agricultural workers through awareness and gender norms dialogue sessions.
- **Decent Work in SME Processing and Agribusinesses:** Training and encouraging SMEs to implement robust OSH standards (PPE, first aid, safe environments). Providing capacity building on fair employment practices, with adherence to labour laws considered in financial agreements. Sensitizing SME owners on preventing sexual harassment and fostering respectful workplaces. Promoting "green jobs" with embedded decent work principles.
- **Verification and Monitoring:** Conditional access to significant programme support based on compliance with national labour laws and OSH standards. Incorporation of labour practice considerations in ESMS for SME loans (SECAP Standard 5). Use of SECAP checklists for grant-funded construction (fair labour, no child/forced labour, OSH). M&E spot checks and a Grievance Redress Mechanism (GRM) for reporting violations or unsafe conditions.

Cross-Cutting Systems for Enforcement and Continuous Improvement of Sustainability

Overarching systems to enforce, monitor, and adapt sustainability standards include:

- **Capacity Building:** Integrating sustainability principles into all relevant training and technical assistance for beneficiaries, implementing partners, and financial intermediaries. Training local mentors for continuity.
- **Financial Instruments as Leverage:** Linking access to grants and loans to compliance with environmental and social safeguards (exclusion lists, project criteria). Mandatory ESMS implementation by ACC, CBJ, and PFIs, supported by technical assistance and Environmental and Social Action Plans (ESAPs).
- **Robust Monitoring, Evaluation, and Learning (M&E):** Systematically tracking progress via Logframe indicators (e.g., adoption of sustainable practices), SECAP compliance (including ESCMP implementation), and digital M&E tools for adaptive management.
- **Adherence to Certifications and Standards:** Supporting enterprises to obtain voluntary certifications (e.g., Global GAP) and meet national/international food quality and safety standards, which often include environmental and labour criteria.
- **Policy Dialogue:** Advocating for inclusive and sustainable value chain approaches in national strategies (NFSS, NPSA successor) through Component 3 activities.

REGEP-UP thus aims to cultivate environmental stewardship and social responsibility, contributing to agricultural supply chains in Jordan that are economically viable, climate-

resilient, environmentally sound, and socially equitable. The successful institutionalization of these mechanisms is crucial for REGEP-UP's lasting positive legacy.