

**REVISED REPORTING FORMAT
FOR
THE FOLLOW-UP OF THE IMPLEMENTATION OF THE
WORLD FOOD SUMMIT
PLAN OF ACTION**

JORDAN

August 2004

SECTION I: BACKGROUND INFORMATION

1. Country: **JORDAN**

2. Reporting institution or unit: **Agriculteur Policies & International Cooperation Department .**

3. Contact person:
 - a) Name and Official Title:

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4. Institutional arrangements established for the follow-up of the WFS Plan of Action (if any):

SECTION II: PRIORITY FOOD SECURITY ISSUES AND THE IMPLEMENTATION OF THE WORLD FOOD SUMMIT PLAN OF ACTION

Please provide a description (no more than 500 words) of the state of the country's food security situation, in terms of food availability, stability of supplies and access to food, providing relevant data on the indicators listed below. Please give an indication of the progress made in the implementation of the WFS Plan of Action and in reaching the WFS goal of reducing the number of undernourished by half by 2015. In the case of a lack of progress, please indicate the most pressing constraints the country faces. Countries are encouraged to use the attached list of statistical indicators¹.

Member countries wishing to provide information on their external assistance programmes, may wish to submit a separate statement providing a brief description of these programmes and their impact on hunger and lessons learned.

The agricultural sector's contribution to Jordan's gross domestic product is about 4.4 percent (average 1991- 2001). Although the sector is small in relation to overall economy, it still represents—in its economical and social dimensions—one of the fundamental sectors in the national economy. It is the base for integrated rural development, a source of income for about 75 percent of the rural and Badia people (estimated about 1.1 million) and a generator of activities in the other economical sub-sectors, especially in agribusiness and servicing. An estimated 24 percent of GDP is considered as agriculture dependent. The agriculture sector employs about 6 percent of the labor force (average 1991-2001) in addition to thousands of unpaid family labour, especially in small-holdings. Furthermore, it plays a central role in food security and trade balance improvement.

The WTO Committee on Agriculture has classified Jordan as a net food importing developing country. It depends heavily on imports to feed its population of about 5.182000 million² (2001). It will have to feed at least two more million people by the year 2010 if the present rate of population growth remains at its 2000 level of 2.8 percent per year.

In the years before 1989, food security in Jordan was not considered an issue of great urgency compared to other political, social and economic problems facing Jordan and the region. A Ministry of Supply was established in 1974, with the task of securing basic food commodities at reasonable prices to consumers. It controlled external food trade, imported strategic food items, food and feed prices and subsidized consumption and production of basic food commodities.

In the late eighties, Jordan economy started to suffer from setbacks. In 1989, the government adopted a structural adjustment program aiming at

¹ Countries are encouraged to use information already generated by ongoing monitoring activities of UN and other agencies.

² DOS (2000)

achieving positive growth rate in the economy, curtailing inflationary pressures, reducing budget and balance of payment deficit and increasing economic efficiency through market liberalization. As a cost cutting measure, the government decided to progressively eliminate food subsidies for bread, rice, sugar and powder milk, and in late 1996 these subsidies were completely stopped. Subsequently, the Ministry of Supply was abolished.

Further measures, undertaken by government with regards to trade liberalization, included the signing of the Great Arab Free Trade Agreement, the Jordanian European Partnership Agreement and the joining of the World Trade Organization in 2000. These measures have led to an increase in imports that directly compete with Jordanian goods and have contributed to a drop in revenues for many households and businesses in Jordan.

The decelerating economic growth, combined with rapid population growth, resulted in a progressive decline in the real per capita income and, as a result, a decline in per capita consumption and a sharp drop in living standards. The percentage of households living below the absolute poverty line³ increased from 18.7 percent⁴ in 1987 to 21.3 percent in 1992 (al-Saqour et. Al. 1993) and was estimated to be around 26 percent in 1996 (AL- Khasawneh et al. 1998). Those living under the abject poverty line⁵ increased from 1.5 percent of the total population in 1987 to 5.6 percent in 1997 and to 9 percent in 2002⁶. The World Bank estimated the percentage of families living under the absolute poverty line in 1997 at 14.4 percent, based on an estimated absolute poverty line of JD 313.5 per person per year.

It is very difficult to compare the findings of these studies as they are based on different poverty lines and on surveys with different designs and assumptions. One common finding of all these studies is that the total number of poor in Jordan has been increasing since 1987. Some studies estimated that one third of the Jordanian households are living below the absolute poverty line⁷. It is to be noted, however, that the current prevalence and severity of food insecurity in Jordan is largely unknown with any degree of objective measurement. The structural adjustment program and privatization programs, which resulted in lifting subsidies, have affected high- income as well as low-income groups of the population, but the impact on low-income groups was more significant in nutritive terms.

The incidence of poverty and food insecurity is much deeper in the rural population (22 percent of total population). Rural population constitutes more than 40 percent of the population in five governorates of Jordan, namely Mafraq, Jarash, Madaba, Karak, and Maan. In these areas, those working in the

³ Amount of money required to meet the cost of food, clothing shelter, primary health services, basic education and transportation.

⁴ E/ESCWA/AGR/1992/12 The impact of the structural adjustment programs on food production supply and consumption in Jordan.

⁵ Amount of money required for covering food cost.

⁶ The results of expenditure and Income household survey .

⁷ Towards a "comprehensive food and nutrition policy in Jordan, 2002.

agricultural sector (around 75 percent) are poorer than those employed in other sectors. Small farmers, especially in the rain-fed highland areas that are subject to fluctuating rainfall and droughts, and households depending on small herds of sheep or goats as their main income source, may be the poorest in the country.

Nutritional Indicators and Causes of Malnutrition

Average per capita energy supply in Jordan is about 2700k calories⁸. The carbohydrate share in the dietary energy supply is about 64 percent(1997) and that of fat is about 25 percent. The protein share has been fluctuating around 10.5 percent with 35 percent coming from animal products. The relatively high carbohydrate share is characteristic of developing countries. Fats and oils are generally used in the Jordanian diets for cooking and seasoning purposes.

Cereals (wheat and rice) represent the main source of energy in the Jordanian diet, providing 47.6 percent of total energy intake. Grain legumes, dairy products and meat, fruit and vegetables provided less than 2 percent, 5 percent and 7.4 percent of total energy, respectively. The intake of sugar is relatively high, contributing 13.5 percent of total energy⁹

A study on calorie intake by expenditure (using 1997 survey data) shows that 22 percent of the population, those who are in the lowest strata in the income range, consume less than 2100 calories per capita per day². If the FAO based minimum daily energy requirement of 2224 k calories is used, about 27 percent of the population in the lowest income categories are not consuming this level.

A study of school children between ages 5 and 11 years¹⁰, found that the stunting rate among them was about 20 percent and anemia prevalence was about 19 percent. About 22 percent had Vitamin A deficiency problems, with another 60 percent being at risk of vitamin A deficiency. Food insecurity and nutritional inadequacy are all inter-linked and work through inadequate access to food, insufficient capacity to have appropriate sanitary and health conditions and insufficient awareness on nutritional issues.

Chronic malnutrition is a much more serious problem in the rural sector. Data shows that rural areas have more than twice the level of stunting than in urban areas. A survey on living conditions, which also looked at child malnutrition, showed that the incidence of malnutrition/ stunting in the agricultural communities is about 25 percent compared with 12 percent in the urban sector.

Food Demand and Sources of Supply

⁸ Draft country strategic outline (2003-2007)/ UNDP Jordan.

⁹ DOS 2000

¹⁰ Towards a comprehensive food and nutrition policy in Jordan (first draft 2002).

Jordan is self-sufficient in poultry meat, eggs, fruits and vegetables. Production of basic food commodities however is only about 6.5 percent of total consumption (average for the period 1992-2001) in wheat, 20.6 percent in grain legumes 37 percent in red meat, 46 percent in dairy products and 57 percent in oil and fats. The country is largely dependent on external markets for the supply of food items of strategic importance such as wheat, rice, sugar, and vegetable oils and fats (except olive oil). During the period (1992-2001), local production of main food commodities increased only by about (6.7 percent) from 2222 thousand tons to 2372 thousand tons, against a total increase in the population of 35 percent. The main increases were in olive oil, poultry meat, milk, dairy products and eggs, which mainly depend on imported feed, except in olive oil.

Total imports of main food groups during the period 1992-2001 increased by 21 percent; from 1,137,000 tons in 1992 to 1,383,000 tons in 2001. During this period Jordan imported on average 1,169,500 tons of food commodities per year. Total food exports increased by 7 percent from 4827 thousand tons to 516 thousand tons.

Average per capita / year consumption of major food groups during the years 1992-2001 amounted to: wheat 149.5kg, food legumes 8 kg, fruits 62.6, vegetables 145.6, red meat 12.1kg, poultry 25 kg, milk and dairy products 81.3 kg, sugar 41.9 kg, rice 22.1 kg, eggs 192.4 kg, oils and fats 17.3 kg and fish 3.1 kg).

The value of food imports account for between 17.5 and 30.6 percent of total value of imports. The value of food imports during the period 1992-2001 averaged JD 600 million, ranging between JD 467 million in 1991 to 790 million in 1996. Their share in total imports however shows a marked and continuous decline. In 1991, the deficit in the food trade balance was around JD 371 million. Between 1992 and 1995, there was a slight decline but the deficit remained at about JD 312 million, however, it increased to JD 413 million in 2001.

Food exports accounted for 16 percent of total value of exports (ranging between 22.8 percent of total exports in 1992 and 11.2 percent in 2000). The value of food export during the period 1991-2001 averaged JD 150 million per year. The average per capita food gap during the period was JD 89).

According to the Households Expenditure and Income Survey of 1997, Jordanian households spent an average of 41 percent of their income on food. The very poor households spent around 58 percent of their income on food (excluding alcohols, cigarettes and tobacco).

Low-income households tend to consume more of food items that are available at low prices. The poor and near-poor people consumed less red meat, dairy products and fruits, but consumed more bread, grain legumes, poultry and vegetable oils.

FOOD SECURITY AND RELATED INDICATORS¹¹

INDICATORS	1996	1997	1998	1999	2000	2001	2002	2003	Source
1. Food security indicators									
• Availability									
Average per person dietary energy supply (kcal)	2679	2699	2676	2707	2732	2769	2673	NA	Food Balance Sheet/ FAO
Food production index	85.4	97.4	69.5	72.4	94.4	82.6	102.0	89	FAO
Food self-sufficiency ratio%	16.2	17.6	17.0	11.4	18.8	15.4	NA	NA	FAO
Cereal supply per person	169.0	156.4	159.6	166.6	160.5	161.9	148.7	NA	Food Balance Sheet/ FAO
Animal protein supply per person	19.5	21.9	22.5	22.1	23.0	22.8	18.3	NA	Food Balance Sheet/ FAO
Value of food imports/export earnings	0.35	0.41	0.42	0.37	0.37	0.31	0.24	NA	FAO
Debt service ratio	15.7	14.8	14.4	14.1	18.3	15.9	13.6	23.5	Department of Statistics, Central Bank of Jordan
Value of gross investment in agriculture (in USD)	45.7	42.0	51.5	34.5	47.7	34.3	26.8	NA	Department of Statistics
• Stability									
Food price index 1997=100 Consumer price Index	93.8	100.0	104.0	103.1	102.4	102.7	102.9	104.7	Department of Statistics
Index of variability of food production	0.85%	0.86%	1.34%	0.94%	1.19%	1.20%	NA	NA	FAO
Ratio of national food reserves to domestic food consumption	NA								
Export earnings instability %	12.8	1.8	0.9	1.0	2.7	12.4	18.6	NA	FAO
• Access									
Rate of growth in real GDP per person/per year (%)	2.1	3.0	2.9	3.0	4.0	4.2	NA	NA	International Development Indicator
Gini index of income distribution	NA	36	NA	NA	NA	NA	36	NA	Department of Statistics Survey 1997, 2002
Percentage of population living below national poverty line (%)	NA	5.6	NA	NA	NA	NA	9	NA	Department of Statistics Survey 1997, 2002
Percentage of population living on less than \$ 1 a day (%)	NA	NA	NA	NA	NA	NA	6.2	NA	International Development Indicator
Percentage of income spent on food (%)	NA	44.3	NA	NA	NA	NA	40.8	NA	Department of Statistics Survey 1997, 2002
Consumer price index 1997= 100	97.1	100.0	103.1	103.7	104.4	106.3	108.2	110.7	Department of Statistics

¹¹ Please refer to explanatory notes of these indicators at the end of this document.

INDICATORS	1996	1997	1998	1999	2000	2001	2002	2003	Source
Estimated number of undernourished people/ Million	NA	0.3	NA	NA	NA	NA	0.3	NA	FAO
Percentage of population undernourished (%)	7.0	NA	NA	NA	6.0	NA	NA	NA	FAO
Percentage of children under 5 that are underweight (%)	NA	5.1	NA	NA	NA	NA	4.5	NA	Department of Statistics Survey 1997, 2002
Percentage of children under 5 that are stunted (%)	NA	7.8	NA	NA	NA	NA	8.5	NA	Department of Statistics Survey 1997, 2002
Percentage of children under 5 that are wasted (%)	NA	NA	NA	NA	NA	NA	2.0	NA	Department of Statistics Survey 1997, 2002
2. Social indicators									
Life expectancy at birth (age)	69.2	69.2	69.2	70.0	70.0	70.0	71.5	71.5	Department of Statistics
Under-5 mortality rate (%)	-	34.2	-	-	38.3	40.0	29.0	29.0	Department of Statistics
Net school enrolment in primary education of children aged 5-12 (%) available 6-15	88.3	91.0	86.4	84.5	89.3	89.4	-	-	Ministry of Education
Ratio of girls to boys in primary education	48.9	49.0	49.1	49.0	49.0	49.0	49.0	49.1	Ministry of Education
Adult literacy rate	87.2	87.8	88.5	89.2	89.8	90.3	NA	NA	International Development Indicator
Total number of doctors, nurses and other health personnel per 100 000 people	587	588	586	630	642	631	658	700	Ministry of Health
Infant mortality rate (%) - Less one year - Between 1-4 years	-	34.4 28.5 5.9	-	-	-	-	29.0 24.0 5.0	-	Department of Statistics Survey 1997, 2002
Maternal mortality rate (%) For each 100 000 inhabitant *	-	79	-	-	-	-	41	-	Department of Statistics Survey 1997, 2002
Adult morbidity rate (%)*	NA	NA	NA	NA	NA	NA	NA	NA	
Adult male mortality rate (%)*	0.41	0.41	0.41	0.51	0.41	0.41	0.51	0.51	Civil Status and Passport Department
Adult female mortality rate (%)*	0.08	0.08	0.09	0.09	0.09	0.09	0.10	0.10	Civil Status and Passport Department
3. Infectious diseases and HIV/AIDS indicators									
Death rate from infectious	-	-	-	-	-	-	-	-	

INDICATORS	1996	1997	1998	1999	2000	2001	2002	2003	Source
diseases (%)									
Death rate from HIV/AIDS Accumulative Number	-	-	-	-	-	-	-	68	Ministry of Health
Percentage of population orphaned (%)	NA	NA	NA	NA	NA	NA	NA	NA	
Percentage of child-headed households (%)	NA	NA	NA	NA	NA	NA	NA	NA	
Average age of household head (age)	NA	NA	NA	NA	NA	NA	NA	NA	
Rate of population with HIV/AIDS infection Number of - Jordanian - Non Jordanian	7 7	16 22	12 12	1 21	4 34	2 26	9 20	3 17	Ministry of Health
4. Economic and Trade									
Proportion of total imports by value, excluding arms, from developing countries and from LDCs admitted free of duties ^{/a}	-	-	-	-	-	-	-	-	For Developed Countries
Average tariffs imposed on agricultural products and textiles and clothing from developing countries ^{/a}	-	-	-	-	-	-	-	-	For Developed Countries
Agricultural support estimate as percentage of GDP ^{/a}	-	-	-	-	-	-	-	-	For Developed Countries
Proportion of ODA provided to help build trade capacity ^{/a}	-	-	-	-	-	-	-	-	For Developed Countries
Share of primary exports (value) of total exports earnings ^{/b}	0.10	0.24	0.21	0.16	0.15	0.14	0.15	NA	FAO
Share of manufactured exports (value) of total exports earnings ^{/b}	NA	42.5	55.5	57.3	68.9	65.9	NA	NA	International Development Indicator
Terms of trade ^{/b}	96.9	96.7	91.9	91.4	86.2				International Development Indicator
External agricultural income terms of trade	1.44	2.10	2.27	2.11	2.01	2.21	2.65	NA	FAO
5. Sustainability of natural resources									
Proportion of land area under forest cover (%)	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	Ministry of Agriculture
Proportion of area protected to maintain biological diversity (%)	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.02	Royal Society for the Conservation of Nature

a/ Applicable to developed countries

b/ Applicable to developing countries

SECTION III: RECOMMENDED ACTIONS FOR EACH COMMITMENT AND MEASURES TAKEN

COMMITMENT I

Policies pursued to create an enabling political, social and economic environment.

a) Strengthening democratic political systems and broad-based participation;
Parliamentary life in Jordan is a tradition that dates back to 1929. Jordanians went to the polls on November 8, 1989, in the first general elections in twenty-two years. The fairness of the elections was acknowledged internationally and domestically by both winners and losers alike; and King Hussein was given credit for the measures he had taken to secure the return of democracy to Jordan. The electoral guidelines allowed all citizens over age nineteen the right to vote. Jordanian women were allowed to vote, having first gained the franchise in 1974, and were also entitled to seek office. Parliamentary elections were held in 1993,1997 and 2002.

Twenty-two political parties were established after a new law legalized parties in 1991. Constant attempts at mergers and coalitions among small, like-minded parties are taking place to strengthen their impact and improve their chances at the next elections.

A number of local and foreign non-governmental organizations operate in Jordan, mainly those concerned with the promotion of political awareness and democracy. Several active women's organizations and unions seek to rectify some laws affecting women that are a residue from traditional habits, and campaign actively on behalf of women candidates in elections.

Several independent research centers are also active in the political field. They conduct surveys, opinion polls and seminars on political and social matters in Jordan.

b) Improving human rights;

Soon after the 1989 elections, King Hussein declared: "*To continue Jordan's liberalization process . . . and to reiterate our deep commitment to defending the human rights and dignity of our citizens . . . we decree that martial laws are cancelled.*" Imposed as a result of the tense security situation resulting from the 1967 War and Jordan's loss of the West Bank to Israel, martial law had preserved the status quo for more than twenty years. With the easing of tensions, the emergency regulations were frozen in 1989, and formally erased in April 1992. This new freedom opened the way for the legalization of political parties and the introduction of new press laws. On July 5, 1992, Parliament formally legalized political parties.

With the strong support of His Majesty King Abdullah and Her Majesty Queen Rania, a National Center for Human Rights (NCHR) has been created. A Board

of Trustees for the Center has also been formed, and a post of a human rights Ombudsman has been put in place.

The 21-member board of trustees is headed by former Prime Minister Ahmed Obeidat, who is a strong and determined supporter of the cause of human rights in Jordan.

The board should first make sure that Jordanian practices and policies are in conformity with the country's legislation. And then, it should embark on an investigative course to determine where national laws are or are not in conformity with the international norms and standards.

Furthermore, the promotion and protection of economic, social and cultural rights must be pursued in parallel with the promotion and protection of civil and political rights.

The fact that the NCHR will enjoy a great degree of independence and has a broad-based mandate should give it ample opportunity to carry out its function under the most favorable conditions.

- c) Preventing conflict and creating a peaceful environment;

The early 1990s marked a watershed period in the history of the Arab-Israeli conflict. The Gulf Crisis redefined the balance of power in the Middle East, reshuffled inter-Arab relations and demonstrated once again the need to work toward a just and comprehensive regional peace. Moreover, several other factors converged during this time to produce a situation propitious for pursuing peace. The termination of the Cold War allowed the Arab-Israeli conflict to be treated as a regional problem. This, combined with the international realization that Arab-Israeli peace is necessary for regional stability, provided the spark to re-ignite a hitherto dormant peace process

Sensing a "window of opportunity" following the liberation of Kuwait, the United States and the Russian Federation co-sponsored the Madrid Peace Conference in October, 1991. During the Madrid negotiations, Jordan extended an "umbrella" to the Palestinian delegation, allowing them to negotiate with the Israelis directly for the first time.

Almost two years later, on September 13, 1993, the PLO and Israel signed their Declaration of Principles (Oslo I), outlining a negotiating framework to be followed leading to a final status treaty between the Palestinian and Israeli peoples. This opened the road for Jordan to proceed on its own negotiating track with Israel, and the Jordan-Israel Common Agenda of negotiations was initialled one day after the PLO-Israel Declaration of Principles. On July 25, 1994, King Hussein met with Israeli Prime Minister Rabin in the Rose Garden of the White House, where they signed the Washington Declaration, formally ending the 46-year state of war between Jordan and Israel.

The Jordan-Israel Peace Treaty was signed on October 26, 1994, at the southern border crossing of Wadi 'Araba. The treaty guaranteed Jordan the restoration of its occupied land (approximately 380 square kilometers), and guaranteed the Kingdom an equitable share of water from the Yarmouk and Jordan rivers. Moreover, the treaty defined Jordan's western borders clearly and conclusively for the first time, putting an end to the dangerous Zionist suggestion that "Jordan is Palestine."

Seeking to lay a firm foundation for a just, comprehensive and lasting peace, the treaty also outlined a number of areas in which negotiations would continue. To this end, Jordanian and Israeli negotiators have signed a series of protocols establishing a mutually beneficial framework of relations in fields such as trade, transportation, tourism, communications, energy, culture, science, navigation, the environment, health and agriculture, as well as cooperatory agreements for the Jordan Valley and the Aqaba-Eilat region.

The stability achieved by peace has brought increased investment as well as a boom in the tourism sector. Jordan has also benefited in an even clearer way, as its treaty with Israel guaranteed its rightful water share and returned its occupied lands. By ensuring the security of its western border, Jordan has also been able to reduce the size of its armed forces and rechannel this money into programs to strengthen the social safety net, thus easing its economic restructuring program. The interaction between the peace process and the restructuring program was also reinforced when a number of states agreed to write off or reschedule Jordan's debt repayments after it signed a peace treaty with Israel. The massive debt, which amounted to 200% of the GDP in 1988, and reached a high of US\$ 8.9 billion at the end of 1990, threatened the success of the economic adjustment program. The centerpiece of the country's debt reduction program was the write-off by the United States of approximately US\$ 700 million in 1995.

Government of Jordan cooperate on international basis to remove anti-personnel land mines. Jordan have policies and plan to remove anti-personnel land mines in Jordanian territory.

d) Enhancing gender equality and women's empowerment.

Jordan government tried to support all activities and policies to ensure gender equality.

The Ministry of Agriculture established in June 1998 a Gender Unit in the Ministry administration skeleton. The MoA is the first organization in the Jordanian government sector to establish such a unit.

The Unit's function is to build up institutional capacity in the agricultural sector to implement the National Strategy for the Advancement of Women. For this purpose, the Unit cooperates with and obtains support from the World Food Program in the field of training and from the Food and Agriculture Organization of the United Nations in implementing small agricultural income-generating projects.

The National Plan of Action for Gender Mainstreaming in Rural and Agricultural Development 2004-2010 has been done with cooperation with FAO. The Gender Unit has the task to ensure mainstreaming of gender in the overall agricultural policy.

Other institutions and organizations created smaller units or divisions for Gender aspect.

The Department of Statistics published statistical data about this subject.

COMMITMENT II

Policies pursued and actions taken to eradicate poverty and inequality and to improve physical and economic access to food by all. Please give details of strategies or initiatives undertaken with respect to:

- a) Specific policies and targeted interventions to generate income and employment for the urban poor;
- **The National Strategy for Poverty Alleviation, adopted in the year 2002, had the following goals:**
 1. **Gain a better understanding of poverty measurements and appreciation in Jordan, in order to better target programs and services.**
 2. **Increase assistance to current National Aid Fund (NAF) beneficiaries, extend assistance to those left out and replace the Recurrent Cash Assistance (RCA) by a new work-oriented family income supplement (FIS) program.**
 3. **Eliminate duplication in assistance programs and establish a national database for recipients.**
 4. **Support sustainable micro- financing and improve economic security of low-income working families.**
 5. **Increase employment opportunities in rural areas and small towns through cluster village development, infrastructure development and through establishing income-generating projects and environmental activities.**
 6. **Involve business leaders in job creation and poverty alleviation.**
 7. **Ensure that the poor have access to high quality health care and family planning services within a healthy environment.**
 8. **Ensure that the educational system meets the needs of the poor.**
 9. **Expand public awareness efforts to reduce poverty.**
- **The National Strategy for Poverty Alleviation (2002) proposed the establishment of “a network of chief executive officers” from the private sector (leading private industrial and service firms) and government cabinet ministers, to explore opportunities for mutual involvement, and enhance the awareness of private employers as to their role in the solution.**

Among the main policies and actions considered by the government for enhancing job creation are:

1. **Identification of qualifications and skills needed by the private industry, and introducing changes in the government training programs to be more responsive.**
2. **Provide tax exemption and other incentives that would result in a substantial number of new hires by the private sector.**

- **In 1998, the Government of Jordan launched the Jordan Social Productivity Program (SPP), a national program that addresses issues of poverty alleviation and unemployment reduction in Jordan. The basic principles adopted by SPP are to enhance social productivity of the less advantaged and to improve their social and physical environments.**

Micro and Small Enterprise Development Project (SMEP)

Training of unemployed youth to work in private sector jobs that are currently filled by foreign workers, because Jordanians are not interested in filling them. Micro and Small Enterprise Development Project (SMEP) Micro and small privately owned businesses are a vital means to generate sustainable economic opportunities. The suppliers of these services (NGOs, banks, governmental programs, etc), are involved in providing financial and non-financial services to micro enterprises.

Three key strategies have been identified for supporting small and micro enterprise development in Jordan, they are:

- a. micro-finance intermediary institutional development**
- b. small business finance.**
- c. business support services.**

The component objectives are to:

- 1. Develop and enhance the capacity of micro-finance intermediaries.**
- 2. Develop an effective financial mechanism with commercial banks to provide small and micro entrepreneurs with access to financial services. Implement reforms in the policy and legal framework, and provide small entrepreneurs with access to business services.**

The implementing agencies are government and non-government organizations and local banks.

Main Accomplishments as of 31/3/2003:

A. Micro finance Component

- 1. The establishment of two new microfinance institutions that provide micro loans to targeted communities, raising the total number of MFIs to four.**
- 2. Providing 74000 loans with a total amount of JD 34.7 million,**
- 3. Establishing the Wholesale funding facility to assist the MFIs to transition from dependence upon grant funding for loan capital needs, to funding their increasing loan capital requirements by borrowing from Jordanian commercial banks. The Facility's assistance consists of guarantees issued by the Facility Manager to those commercial banks lending to the MFIs; the guarantees are collateralized by the Facility's capital.**

B. Support to Business Training for Small and Microenterprises Project

- 1. The preparation, translation and adaptation of 32 training manuals and workbooks.**
- 2. Selecting the Jordanian American Business Association (JABA) as the focal point for the project.**
- 3. Providing training to 1000 entrepreneurs (82% are women).**
- 4. Training and certification of 27 local trainers.**
- 5. Launching the training and certification of two national master trainers.**

C. EMPRETEC Programme

- 1. Forming the steering committee for the project.**
- 2. Conducting two Entrepreneurial Training Workshops.**
- 3. Providing training to 40 business people and business owners.**
- 4. Launching the arabisation and adaptation of the training material.**

Training and Employment Support Project (TESP)

This component aims at supplying the Training and Unemployment Support Fund with the necessary supportive information, employment intermediation services, and program evaluation studies.

Three complementary elements are included:

- 1. the identification of actual employment needs to facilitate the placement or reinsertion into productive employment of project beneficiaries based on market demand;**
- 2. focus on the unemployed poor, and**
- 3. development of support activities to identify and define occupational needs, and provide assistance for screening, orientation, skill training and placement of target beneficiaries.**

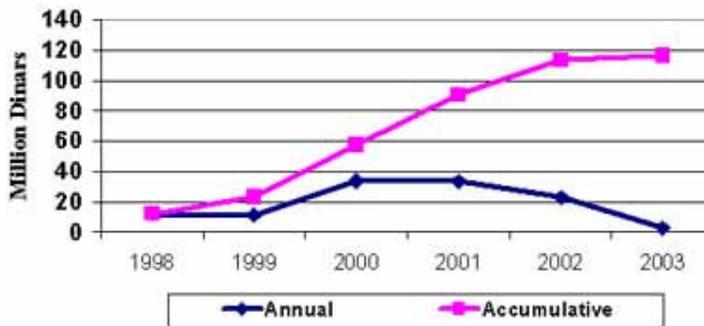
The program attempted to improve the Labor Market Information System by providing staff training, technical assistance, computerization for the labor market information system (LMIS) to monitor the operation of labor markets (hiring and wage trends by sector, demand for various types of skills, etc.), and make more efficient use of existing sources of labor market information.

The program identified specific means to enhance and facilitate the participation of women in the labor force, with a special attention to poor women, who can play a vital role in increasing the overall earning capacity of poor households.

SPP Total Expenditure (as of 31 March 2003):

Total Expenditure (JD1000), 1JD = 1.4 US \$							
SPP Components & Sub-components	1998	1999	2000	2001	2002	2003	Costs(JD)
Restructuring & Expansion of National Aid Program	2100	2524	5521	51	478	37	10711
Community Infrastructure Development Program	653	2671	16287	23442	16759	1707	61519
Purifying Units	0	0	0	153	1219	0	1372
Small & Micro Enterprise Development Program	1899	4904	4717	5765	164	0	17449
Training & Employment Support Program	56	195	514	516	315	0	1596
Integrated Development Pilot Projects	109	626	6394	3099	3286	903	14417
Program Management & Support	0	167	193	193	400	0	953
Community Health Centres	7000	0	0	0	0	0	7000
Executive Units	310	145	251	157	230	37	1130
Grand Total	12127	11232	33877	33376	22851	2648	116147

Total Expenditure Until 31/3/2003



- b) Specific policies and targeted interventions to generate on-farm and off-farm income and employment for the rural poor, women and minority groups, including land reform, protection of property and use rights and other strategies to ensure access to land and water resources.

In 2002, the government adopted a "National Strategy for Agricultural Development 2002- 2010". The strategy discusses the role of the agricultural sector in social and economic development, the present situation of the sector and future scenarios under a "status quo" scenario and a "development" scenario to achieve a sustainable agricultural and rural development taking into consideration the social economic and environmental aspects of such development. The strategy presents profiles of proposed projects in the five agricultural subsectors of rainfed agriculture, irrigated agriculture in the Jordan Valley, irrigated agriculture in the highlands, livestock and rangelands and marketing of agricultural produce.

Main Objectives of the Agricultural Development Strategy are : -

Economic Objectives:

1. Provide a suitable environment for the private sector to effectively participate in agricultural development.
2. Increase investment in the agricultural sector.
3. Enhance integration between plant and animal production.
4. Provide new job opportunities and work in the agricultural sector.
5. Increase incomes of farmers and workers in the supporting agricultural activities.
6. Ensure economic equity between agriculture and other sectors of the economy and within the agricultural sector itself.
7. Increase productivity and decrease production costs.
8. Improve the competitiveness of produce in quality and price in local and export markets.
9. Increase agricultural production and increase its contribution to the GDP.
10. Increase the degree of self-reliance in food, and improve the agricultural trade balance.
11. Attain integration between the agricultural sector and the other economic sectors, especially in the area of processing of agricultural products.

12. Link domestic supply with market demand.
13. Develop farmer organizations and other private-sector groups working in the agricultural sector.

Social Objectives:

- 1- Limit migration from rural areas into urban areas.
- 2- Increase women participation in agricultural development.
- 3- Enhance the capabilities of farmers and agricultural workers, and develop their knowledge base and abilities to effectively participate in the socioeconomic development of the rural areas.
- 4- Improve health, educational, social services, and living standards for rural people.

Environmental Objectives:

- 1- Conserve land, water and natural vegetation, and utilize them within their production capacity to ensure sustainable and long-term agricultural production.
- 2- Conserve Jordan's biodiversity and utilize it in supporting agricultural development.
- 3- Improve the technical and managerial capabilities in the agricultural sector to cope with probable climate and environmental changes, and absorb their consequences.

This Strategy contains programs and projects that create conditions, which encourage stable agriculture development (130 project with total cost of 600 Million \$ US.).

Jordan is classified as one of the driest countries in the world with per capita availability of renewable water resources of 150m³ (in 2000).

Shortage of water is the main constraint to development of agriculture in Jordan and is becoming a threat to the already established irrigated sector, which suffers from over-extraction of ground water in the highlands¹² and the flow of low quality treated wastewater in the Jordan Valley.

The agricultural land in Jordan is characterized by the preponderance of small-size farming units.

- c) Provisions made to develop social safety nets, if any, to meet the needs of the poor, including those affected by HIV/AIDS:

Government's anti-poverty efforts will mainly be through "the Social Productivity Program" (SPP) launched in 1998 as a national program to enhance the overall social productivity of the nation with a focus on the poor households. The SPP seeks to improve the social and living conditions of the poor through community infrastructure projects,

¹² Improvement of irrigation practices, use of treated waste water and rehabilitation and upgrading of M & I networks are a priority

promoting small and micro-enterprises and generating productive employment through training and employment support. SPP outlays increased from JD 6 million in 1999 to JD 25 million in 2000 and to JD 45 million in 2001.

The Ministry of Social Development, cooperating with USAID established a special program named “ Poverty Measurement In Jordan “ The Implementation Plan for that program contains a number of projects in this field.

e) Measures taken to ensure access to basic education and primary health care.

In Jordan, the government has worked over the past ten years to reduce the non-income disadvantages faced by poor people, by improving their access to and knowledge of health services. The infrastructure for health services has been upgraded; centers for healthcare have been established in almost every area; access to such centers is easy; and primary healthcare services are free of charge. The focus now is on improving the quality of services that poor people receive.

The government needs to work on reducing income poverty indirectly by reducing the impact of ill health on household living standards. For example, it might modify health-financing arrangements to ensure that people do not face out-of-pocket payment when they fall ill. It might also introduce schemes to provide income –support to households in which the breadwinner is ill and unable to work. It must be noted, though, that funds are extremely limited, and it is vital that they are used wisely to ensure they have the greatest impact.

Jordan has a high educational status in terms of access to education, and formal and non-formal attainment levels, especially in comparison to other Arab countries.

Since 1989, Jordan has been focusing on reforming its education sector and has concentrated on building schools, especially in underprivileged areas. In Jordanian Society: living Conditions in the Hashemit Kingdom of Jordan, a survey conducted in 1998, 75 percent of those interviewed said they had basic education schools within ten minutes from their houses. Since 1994, the MOE has also begun to build a school wherever ten student in first to fourth grades are gathered. In spite of this, satisfaction with the availability of schools remains lower in rural areas.

Adequate provision for social services and alleviation of poverty and reducing unemployment constitute concerns to the government. Total expenditure on health, education and social programs amounted to about one quarter of total budgetary expenditure in 2001, or more than 8 percent of GDP. This is a comparatively high proportion by international standard. While expenditure on health and education will account for the bulk of social outlays.

COMMITMENT III

Measures taken to pursue participatory and sustainable food, agriculture, fisheries, forestry and rural development policies and practices and to combat pests, drought and desertification.

A) Policies and actions taken to intensify and diversify food production;

- **One of the objective of the National Strategy for Agricultural Development for the period 2002-2010 is:” Protect the Environment, and Agro-biodiversity, and Improve the Quality of Agricultural Produce”.**

Implementation Strategies for that objective are:

- Protect agro-biodiversity (plants and animals) and use of local land races for crop improvement, and apply international agreements in this respect (**one project will be implemented**).
- Benefit from the provisions of the international agreements, including funding facilities and technical assistance, to support biodiversity conservation, combating desertification, and protecting the environment.
- Provide effective extension services on the timing and means of using agricultural production inputs, including fertilizers and pesticides, in producing medicinal and herbal plants, fruits and vegetables.
- Introduce organic farming for the production of vegetables, medicinal and herbal plants and olives in rain-fed areas, and develop a system to issue certificates for products of organic farming according to international standards (**two Projects will be implement**).
- Establish mechanisms for monitoring the use of chemicals, quality control of products and for issuing quality certificates according to international standards
- **MoA promotes a Sustainable method by establishment an Organic Farming Unit in the ministry. One project financed by JIC (Japanese Agency) is being implemented since mid of this year.**
- **Forestry Department has a Seed Center for seed multiplication.**
- **MoA has had a project to produce improved seeds, especially for Wheat and Barely, since 20 years.**

b) Actions taken to combat environmental threats to food security, in particular:

- drought and desertification,
- pests
- erosion of biological diversity
- degradation of land and aquatic based natural resources;

One of the three objectives of the "National Strategy for Agricultural Development 2002- 2010"was: -

Environmental Objectives which cover :-

- Conserve land, water and natural vegetation, and utilize them within their production capacity to ensure sustainable and long-term agricultural production.

- Conserve Jordan’s biodiversity and utilize it in supporting agricultural development.
 - Improve the technical and managerial capabilities in the agricultural sector to cope with probable climate and environmental changes, and absorb their consequences.
- MoA is going to receive approval for the proposed TCP project on National Strategy and Plan for Drought Planning, Mitigation and Management, through FAO RNE office.
 - MoA cooperates with The General Cooperation For Environment Protection to Promote using Biological Diversity .
 - Most of the on-going projects promote mixed -farming systems.
 - Ministry of Environment signed a number of international agreements, especially for desertification and biological diversity.
 - Jordan is implementing a five years regional project in, cooperate with GEF and UNDP titled “ Conservation and Sustainable Use of Dry land Agro-Biodiversity in Jordan”.

The government adopted a National Strategy for Agricultural Development for the period 2002-2010 to achieve these objectives

The Special Program for Food Security in Jordan has been built around four main interrelated components that compliment each other, one of them addressing:

Land and water management at farm level, the objective of which is to increase soil moisture content and overcome the risks of climatic fluctuations. This includes undertaking soil and water conservation measures, water harvesting, developing means for collection, storage and use of rain water, and rehabilitation of springs and corresponding irrigation canals.

d) Transfer and use of agricultural technologies;

The National Strategy for Agricultural Development 2001-2010 considered agricultural research and technology transfer as critical and essential components of agricultural development in Jordan.

It recommended a new frame for coordinating the national efforts in the areas of agricultural research , technology transfer and agricultural extension through:

1. The establishment of a national commission for agricultural research and extension to set a national policy and strategy for agricultural research and extension and work as a hub to coordinate the national efforts in these areas and,
2. The development of the NCARTT into a “General Corporation for Agricultural Research and Extension” to be entrusted with carrying out applied research, disseminating the research results to farmers and following-up their adoption by farmers.

It is expected that this new frame will achieve stronger relationships and integration among research institutions and will have a great impact on the type of research output, coordination with extension services and better contacts with farmers and end users.

d) Formulation and implementation of integrated rural development.

In November 2001, the Social & Economic Transformation Program (SETP) was launched, a timely initiative spanning over a period of three years (2002-2004). The SETP aims at achieving social and economic sustainable development, and improving the quality and standard of living for all Jordanians by better addressing their basic social needs such as better health care, rural development, and education, which feature at the top of SETP's objectives. Simultaneously, the SETP is designed to strengthen the resilience of the Jordanian economy to external shocks through advocating and accelerating the pace of reforms. The program is being funded by additional grants from donors and by a partial utilization of privatization proceeds, thereby ensuring its implementation without jeopardizing the macroeconomic stability that Jordan has successfully achieved over the last few years.

Improving the quality of services and reducing inefficiencies and alleviating the quality of standard of living, are key elements of the SETP. The framework of this component is constituted by:

Rural Development & Poverty Alleviation

Rural development is imperative for sustainable macroeconomic development and growth. The core problems of widespread poverty, growing inequality and rising unemployment in the Kingdom all find their roots originating from rural areas.

The SETP tackles this component through job creation, income generating projects, and the increased provision of education, health, housing, and a variety of related social and welfare services.

The SETP pays particular attention to poverty alleviation and improving the quality of life in rural areas through pro-poor economic growth mechanisms, including improving employment opportunities for those capable of working and providing access to quality education and assuring access to health care for all.

The framework of this component is constituted by:

Rural Development:

- Social Development
- Agriculture
- Tourism Development
- Environment
- Municipal Development

statistics 2004

Distribution of Funds 2004 (including Revolving 2003) for the Social & Economic Transformation Program According to Sector		
Sector	Allocated Funds (JD million)	Percentage of Total
Human Resource Development	48.538	16.9%
1. Public Education	25.023	8.7%
2. Higher Education	6.12	2.1%
3. Vocational Training	11.296	3.9%
4. Culture	2	0.7%
5. Youth	4.099	1.4%
Basic Government Services	113.289	39.5%
1. Health	13.45	4.7%
2. Water	32.361	11.3%
3. Information and Communications Technology	17.278	6.0%
4. Constriction	39.55	13.8%
5. Civil Defense	2.2	0.8%
6. Transportation	7.8	2.7%
7. Energy	0.65	0.2%
Rural Development & Poverty Alleviation	95.767	33.4%
1. Governorates Strategy	54.6	19.0%
2. Social Development	31	10.8%
3. Municipal and Rural Affairs	3.05	1.1%
4. Tourism	1.417	0.5%
5. Ministry of Environment	0.5	0.2%
6. Agriculture	5.2	1.8%
Structural and Institutional Framework	29.09	10.1%
1. Industry & Trade	5.9	2.1%
2. Judicial Reform	3.19	1.1%
3. Aqaba Special Economic Zone	20	7.0%
Total	286.684	100.0%

COMMITMENT IV

Measures taken at national level to ensure that food and agricultural trade and overall trade policies are conducive to fostering food security. Please give details of strategies or initiatives undertaken with respect to this commitment.

- a) to establish well functioning internal marketing and transportation systems to facilitate better links within and between domestic and external markets;

The marketing system suffers from several shortcomings, including lack of advanced agricultural know-how for the production of high quality products, lack of access to markets that demand quality produce and pay a premium for it, and lack of an adequate marketing infrastructure that is required for proper post-harvest handling to distant markets. These shortcomings have led to an increased marketing cost and margins, low quality produce and low quality packages and packaging.

The National Strategy 2002-2010 proposed the establishment of a strong national company for the marketing of horticultural produce to assist in developing the production and the marketing system for fruits and vegetables. The government delivers the following public services to businesses exporting to European and Arab Countries:

- **Market information covering local and foreign markets in terms of prices, items, quantities,**
- **quality standards, and regulations of destination market**
- **Export promotion activities: such printed material, participation in international fairs, tours trial shipments and trade agreements.**
- **Post-harvest extension and training for exporters and their staff.**

Around 100 exporters have established their own facilities and sheds for sorting, grading and repackaging of the produce destined for export.

- b) to diversify trade;

Jordan has embarked on liberalizing its domestic and foreign trade since 1989, as part of the ongoing structural adjustment program. Internationally, measures are being undertaken to liberalize the economy. A such measures include accession to the WTO, signing of the Arab Free Trade Agreement, the European-Jordanian Partnership Agreement and of the Free Trade Area with USA. Although these agreements provide new opportunities to Jordan, they create challenges to local production that will require intensive efforts and substantial changes in the current policies, to overcome them.

Liberalization of trade in agricultural commodities in Jordan started in 1994 as part of the Agricultural Structural Adjustment Program (ASTAP), and the Agriculture Structural Adjustment Loan (ASAL) provided by the World Bank. Jordan subsequently took numerous measures to liberalize its domestic and international trade in agricultural commodities.

- c) to ensure national policies related to international and regional trade agreements do not have adverse impact on economic activities towards food security, especially women's activities.

"The National Strategy for Agricultural Development 2002- 2010" discusses the role of the agricultural sector in social and economic development, The strategy has several objectives, including:

I - Protect local products from unjust competition by imports and violations of SPS measures and commercial fraud:

The Implementation Strategies for that objective are:

- 1- Establish professional unions to assume the role of national parties who would claim against unjust competition by imports in accordance with the WTO agreements in this respect.
- 2- Take the required measures, by the Ministry of Industry and Trade, the Ministry of Agriculture, and the Customs Department, to protect the local market from imports according to the WTO agreements including: AS, ADP, SCM, and ACV.
- 3- Develop labs and quarantines of the Ministry of Agriculture and support them with human and financial resources and equipment required to apply the SPS agreement.
- 4- Enhance the potentials of the Jordan Institute for Standards and Metrology (JISM) in terms of testing, analysis, cross-checking and accreditation of labs in order to prevent commercial fraud against consumers and local traders in addition to providing (JISM) with all necessities to apply TBT.

II -Stabilize prices, improve pricing and reduce marketing margins

The Implementation Strategies for that objective are:

- 1- Organize wholesale markets and set them in a manner to improve sales and purchase methods. Prices must be a real reflection of supply and demand.
- 2- Develop the livestock market in Amman and establish other markets to help organize supply and demand and reduce repeated sale .
- 3- Amend the Law of Municipalities to allow the private sector to own and manage wholesale markets within the municipalities and amend the by-laws of wholesale markets to better organize sales transaction.
- 4- Issue regulations to organize marketing activities of packaging, containers, storage, transport, and exporters' workshops.
- 5- Develop and monitor the auction to avoid biased performance and to make it more representative of the supply and demand forces.
- 6- Form a permanent committee to supervise the establishment and organization of the wholesale markets in the Kingdom in addition to the popular markets and retail markets. However, the Ministry of Municipal and Rural Affairs, the Ministry of Agriculture, Amman Municipality, the Farmers Federation, brokers, exporters and experts must all be involved in the management of the wholesale markets.

III - Improve price and quality competition capacity of products:

The Implementation Strategies for that objective are:

- 1- Establish a large company to market horticultural products.**
- 2- Encourage the private sector to use technologies that help reduce costs and improve quality, while helping improve filling and packaging.**
- 3- Adhere to the requirements of safe use of pesticides, especially in terms of required limits and periods of safety.**
- 4- Provide leaders of marketing channels with information, extension and technology transfer to help them reduce costs, improve quality and packaging, as well as providing them with the required training in this field.**

COMMITMENT V

Measures taken to prevent and to be prepared for natural and man-made disasters.

- a) Institutional arrangements for early warning and advance information on possible emergencies;

MoA cooperates in such program by giving advance information on possible emergencies by reporting to the (Global Information and Early System on Food and Agriculture) A national FIVIMS does not exist in Jordan, but MoA formed a temporary technical committee to study the impact of unusual conditions which affect agricultural production in Jordan.

- b) Mechanisms in place to combat disasters and to provide rehabilitation for people affected;

The Ministry of Agriculture and other ministries usually put emergency plans to avoid negative effect of drought sessionly

Jordan government formed high committee to follow-up emergency situations. Minister of Interior heads the drought committee and submits the recommendations to the Cabinet.

The Ministry of Foreign Affairs and the Ministry of Planning contact the international community to support the country in emergency situations.

- c) Measures taken to link post-emergency relief operations to development programs;

In 1998, the Government of Jordan launched the Jordan Social Productivity Program (SPP), a national program that addresses issues of poverty alleviation and unemployment reduction in Jordan. The basic principles adopted by SPP are to enhance social productivity of the less advantaged and to improve their social and physical environments.

Based on these basic principles, SPP has five major approaches:

1. **Provision of direct support to the needy through restructuring of the National Aid Fund,**
2. **Creating an immediate and visible impact on the living conditions of the poor, through enhancing the physical and social infrastructure in the less advantaged areas,**
3. **Provision of small and micro-finance that is based on best practices through designated intermediaries,**
4. **Assisting the poor in obtaining productive employment, through creating sustainable incomes for all those able to work, through a training and employment support program, and**
5. **Developing an active standard development pattern at selected needy areas through integrating the various SPP components together.**

These major approaches are intended to improve the living conditions of the poor and to facilitate the implementation of the

government poverty alleviation strategy through the following components:

- **Restructuring the Expansion of National Aid Fund.**
- **The Community Infrastructure Program (CIP).**
- **Small & Micro Enterprise Development Program.**
- **Training & Employment Support Program.**
- **Integrated Development Pilot Projects (IDPP)**

Program Beneficiaries

The main beneficiaries of the SPP are the poor living below the absolute poverty line and the unemployed, and more specifically members of the under-privileged and less advantaged groups particularly exposed to poverty, such as families in severe poverty and women-headed households. The middle class will also benefit through the training and micro enterprise components.

d) Watershed management strategies put in place.

The National Strategy for Agricultural Development 2002- 2010” contains many programs and projects that aim to:

- **Development of agricultural systems within the watershed areas.**
- **Reclamation of steep and rocky lands in the high rainfall areas.**

COMMITMENT VI

Measures taken to promote optimal allocation and use of public and private investments to foster human resources, sustainable food, agriculture, fishery and forestry systems.

- a) Share of national budget allocated for human resource development indicating its impact in terms of primary and secondary school and higher education development;

The main focus of this component is on the qualitative investment in human resource development, improving the quality of basic government services, especially in health, water, youth and information & communications technology (ICT). It also focuses on combating poverty and unemployment by adopting a new approach that is aimed at enhancing productivity, promoting local community development and business outreach, through pro-poor growth programs. This component focuses on three areas:¹³

A. Human Resource Development:

Cultural outlook, quality education, and the desire for self-improvement are one of the core themes that influence the endowment of human resources. Human resources development has always been a high priority for Jordan. Acknowledging the global shift from a resource-based to a knowledge-based economy, the Government recognized the pressing need to incorporate enhanced levels of student learning capabilities to include analytical skills, team-based activity, and computer literacy at every stage of the education system. The ultimate goal will be to equip people with the needed skills to compete not only in the domestic market, but also in the highly competitive and productive worldwide arena. Unleashing the vast potential of Jordan's growing mindset in a manner that is commensurate with the evolving global trends will enable Jordan's economy to transform from a resource-based into a knowledge-based one. The need for citizens who become increasingly highly educated, broadly skilled, adaptable, and motivated has been recognized and validated. These people will have the knowledge and skills to make Jordan's economy competitive in the global marketplace.

B. Basic Government Services

Improving the quality of services and reducing inefficiencies and alleviating the quality of standard of living, are key elements of the SETP. The framework of this component is constituted by: Health Care, Water Resources, Agriculture, Telecommunications, Infrastructure and Civil Defense

C. Rural Development

Rural development is imperative for sustainable macroeconomic development and growth. The core problems of widespread poverty, growing inequality and

¹³ Ministry of Planning and International Cooperation (MOPIC). Social Economic & Transformation Program. Amman, Jordan

rising unemployment in the Kingdom all find their roots originating from rural areas.

The new policy programs tackles this component through job creation, income generating projects, and the increased provision of education, health, housing, and a variety of related social and welfare services.

The major elements of this component are: Enhanced Productivity Program, Support for National Aid Fund, Municipalities Development Projects, Capacity Building

- d) Share of the national budget allocated to agriculture and fisheries and food security programs;

Around 25 Million \$ US or 0.05 % of national budget is allocated annually for MoA .

Agricultural credit is provided through formal and informal sources.

The informal sources include:

- 1) The commission agents in fruit and vegetables trade, who provide their clients with credit in cash or in-kind and deduct the amount borrowed, together with the agreed interest, from sale proceeds and
- 2) Input supply companies dealing with fertilizers, pesticides, animal feed, equipment and machinery for irrigation etc.

Easiness and convenience are the basic characteristics of informal credit. The charged interest rates are relatively high and repayment is also high.

The formal sources of credit include commercial banks and the Agricultural Credit Corporation (ACC).

The commercial banks, due to the nature of their business and the characteristics of agriculture, do not provide many loans to agricultural production, especially to small and medium scale farmers.

The ACC, which was established in 1959 as a specialized government agricultural credit institution, is the only specialized agricultural credit institution in the country. Its present mandate is agricultural development, and not rural development nor rural finance in the wider sense. Loans are given for productive agricultural purposes only; people with profitable non-agricultural investment opportunities in the rural areas have no access to the financial services of ACC, neither to credit nor to deposit.

ACC paid-up capital stands at JD 24 million. It has three regional offices and 20 branches in different parts of the country. By the end of 2000, the outstanding loans amounted to JD 105 million for 65,000 farmers. While the ACC has played an important role in the development of agriculture, it has succeeded only partially in fulfilling some of its assigned functions relating to the

mobilization of savings, financing support services, and preparing viable projects for financing.

During the last decade ACC has made a drastic change in the composition of loan disbursement by giving increasing attention to small scale farmers. It had, however, to reconcile requirements for safe, viable and sustainable credit operations with the need to satisfy rising demand for credit by small farmers. The continuing government interference in forcing mandatory debt relief and debt rescheduling has aggravated the situation.

The national strategy for agricultural development 2001-2010 recommended to develop the ACC into an autonomous “Rural Development Bank,” strengthening the overall rural financial system, review of interest rates with a focus on “no harm” to small farmers and the poor, and increasing its authorized capital to JD 40 million.

- d) Nature and extent of investment in infrastructure aimed at improving access to markets and food;

The public sector invests in the following projects to enhance fruit and vegetable export to European and Arab Countries:

- **Construction of a pre-cooling unit to the exporters association to provide service to their members.**
- **Construction of an automated cold storage facility at the airport to avoid quality deterioration of produce due to flight delays.**
- **Operating seven wholesale markets in Jordan, handling around 2 million tons of fresh fruits and vegetables.**
- **Designated 4,000 Dunums for Packing Houses to exporters of fresh produce to build their packing stations and other required facilities.**

- e) Initiatives undertaken and resources allocated to promote technology development and transfers for improved production;

The agricultural research system in Jordan is made up of:

- **Two specialized agricultural research institutions which have agricultural research as a central mandate: the National Center for Agricultural Research and Technology Transfer (NCARTT) and the Water and Environment Research and Study Center, an autonomous institution affiliated with the University of Jordan mainly concerned with conducting research on the use of fresh water and waste water in irrigation and,**
- **Four other institutions with a broader mandate than agricultural research namely: the Faculty of Agriculture at the University of Jordan, the Faculty of Agriculture at the Jordan University of Science and Technology and the Higher Council for Science and Technology.**

The total financial resources allocated for agricultural research in the above main agricultural research institution varies between JD 2-3 million per year, and constitute less than 1 percent of Agricultural G. D.P.

The NCARTT is the main specialized agricultural research institution and accounts for 61 percent of potential research years (RYs). In 1996 the center adopted a national strategy, which identified the national efforts to be devoted to the different sub-sectors of agriculture and the roles and contributions of other national organizations and private sector's institutions in those efforts. The main research thrusts identified in the strategy were: irrigated agriculture (23 percent of RYS), integrated livestock production (22 percent), low rainfall areas (19 percent), rain-fed agriculture (17 percent), water management and environment (11 percent), and plant genetic resources (8 percent).

Forestry and food technology are not adequately covered by the strategy. This strategy, followed by NCARTT, does not serve as reference for other research institutions.

A recent review of research and technology transfer activities indicates a substantial gap in the linkage between the various institutions conducting agricultural research, resulting in competition and duplication of efforts, as well as between research intuitions and the end users of research outputs, the extension services, the farmers and the agricultural development agencies.

e) Strategies for sustainable watershed management and associated investments;

“National Strategy for Agricultural Development 2002- 2010.” Contains many programs and projects that aim to:

- **Development of agricultural systems within the watershed areas.**
- **Reclamation of steep and rocky lands in the high rainfall areas.**

f) Measures taken to control deforestation and to enhance national forest cover.

Forestry in Jordan includes natural and man-made forests. The natural forests, (508000 du) constitute only 0.44 percent of Jordan's total land area. In general, these are degraded forests with poor density of less than 20 percent is (more than 50 percent of these forests) and practically very limited natural regeneration. Around 381,000 du (75 percent) of these forests are owned by the government and 127000 du are private forests. Around 450,000 du are man made forests established on government land. Thus the total forest area in Jordan is only 958000 du. Of the total area of government land registered as forest lands, there is about 200,000 du that are suitable for afforestation and are planned to be afforested in the coming years.

The Agricultural Law No. (44) for year 2002 contains many articles to protect national forest cover. Ministry of Agriculture established, since 40 years ago, a Forestry Director are in Ministry administration skeleton .The Forestry Directorate's main objective is to set the plans necessary to regulate protection and utilization of the national forests. It also sets the annual plans for forest and

range seedling production, afforestation and/ or re-forestation of forestlands and roadsides, and provides forestry cadastral maps and monitors any changes thereof.

The directorate is concerned with proposition and preparation of silvicultural and forestry protection policies and programs for the development and protection of forestlands. Hence, it sets and implements annual plans for production of the seedlings required to re-forest and/ or afforest forestlands and roadsides. Furthermore, the directorate collects, tests and distributes seeds from selected forest genetic resources; and it establishes seed multiplication farms and arboretums for plant species that grow in the Kingdom.

COMMITMENT VII

Steps taken to facilitate the implementation of the WFS Plan of Action.

- a) Institutional arrangements at national and local levels to implement the Plan of Action and monitor the progress of implementation;

A National Coordinator has been assigned and a small committee has been formed in the MoA to monitor the achievement of the WFS PoA.

Jordan also submitted the national reports on the WFS follow-up based on the current format in the following monitoring years through the MoA :

2000 , 2002

The Ministry of Social Development, in cooperation with USAID, is implementing a special program named “ Poverty Measurement In Jordan “ , for monitoring the levels of poverty and unemployment by using updated statistics and data from the Household Expenditure and Income Surveys 2002, and producing poverty profile and maps.

- b) Food for All campaigns to mobilize stakeholders and their resources at all levels of society in the implementation of the WFS Plan of Action;

A High National Committee, headed by Her Royal Highness Princess Basma Bint Talal was formed in the mid of August 2004 for “ International Alliance Against Hunger “

- c) Mechanisms to ensure food security for every person in the country.

One of the mechanisms to ensure food security for every person in the country was the launching of **The Special Program for Food Security in Jordan –Phase 1¹⁴**.

Program Philosophy:

The Program has been based on the following assumptions:

- **That viable opportunities for farmers to increase their food production do exist.**
- **That farmers’ failure to utilize these opportunities is due to the presence of a range of constraints that prevent them from responding to needs and potentials**
- **The belief that increasing the productivity and improving the quality of life of rural families, as well as creating an enabling environment for sustainable agricultural and rural development, is possible by working with farmers and other stakeholders in identifying available opportunities and demonstrating better ways of increasing farm output and incomes and in defining and resolving constraints whether they are technical, institutional, economical, social or political.**

The Program considers that improving the productivity of small farmers is the preferred option for enhancing food security in the rural areas, given that the

¹⁴ Food security is achieved when all citizens, at all times, have physical & economical access to sufficient, safe & nutritious foods to exercise a healthy & active life (World Food summit action Plan-Paragraph 1)

agricultural sector is the main source for employment, providing food and income and is the basis on which many non-agricultural activities rely, both pre- and post production.

OBJECTIVES OF THE SPFS

Improving the food security of rural families is the main objective of the Program. It is to be accomplished through achieving sustainable increase in productivity, reduction in year-to-year variability in production on the basis of stability of economic and environmental conditions, and the incentives emerging as a result of the increase in production, within the national and local economic framework.

The Program also aims at maximizing the degree of self-reliance of rural women and increasing net incomes through activating the role of rural families.

The Program will achieve these objectives through dissemination of advanced agricultural technologies, assisting farmers in adopting them through farm-led demonstrations and setting up pilot farms of small production sizes. Pilot farms will serve as an entry point to identify the problems which hamper the adoption of new production systems and technologies and to develop solutions to overcome them, and to create a socially and economically enabling environment that fosters the wide-scale adoption of these production methods. The program will be implemented by working jointly with farmers to identify the economically feasible and sustainable systems that suit the capacities of farmers, their technical and financial resources and social conditions.

The Ministry of Social Development is implementing within the framework of The National Strategy for Poverty Alleviation (2002) in cooperation with USAID, a special program named “Poverty Measurement In Jordan“. This program is monitoring the levels of poverty. Many activities and projects within that program will monitor ensuring food security for every person in the country.