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ANNEX

of the Commission implementing Decision modifying Decision C(2010) 7441 on the Annual Action Programme 2010 in favour of the Kingdom of Jordan

Action Document for Jordan

1. IDENTIFICATION

Title	Support to Democratic Governance
Total cost	EU contribution: EUR 10,000,000
Aid method / Method of implementation	Partially Decentralised Management and Indirect Management with an International Organisation
DAC-code	15110 Public sector policy and administrative management 15112 Decentralisation and support to sub- national government 15150 Democratic participation and civil society

2. RATIONALE

2.1. Sector context

Background

The Parliament was dissolved midway through its term by King Abdullah II on 23 November 2009. This dissolution was followed by the establishment of a new Government led by the newly appointed Prime Minister, Mr Samir Rifai. The King instructed the government to amend the Electoral Law in preparation for the parliamentary elections expected to take place in the last quarter of 2010.

Meanwhile, the highly expected draft of the decentralisation plan has been released in December 2009. However, this draft plan is yet to be approved by the Cabinet. According to the draft plan the decentralization process will take place at Governorate level. It will materialize through the creation of 4 different Councils at Governorate level (existing municipal councils are maintained). The dissolution of Parliament creates an opportunity for broader participation in dialogue concerning the nature and structure of democracy in Jordan. There is interest among Non-State Actors (NSAs) to engage with the Ministry of Political Development in campaigns to promote free and transparent elections, and especially to involve women, youth and excluded groups in this process. This provides an entry point for a broader debate concerning the importance of citizen participation in all aspects of the policy process as an essential component of sustainable development.

Problem analysis

The main problems affecting the Chamber of the Deputies (CoD) include inadequate policy, technical, and organisational skills to perform the respective role of Deputies in a competitive, efficient, and effective manner. Important weaknesses also exist at the level of parliament's committees functioning that have fundamental limited oversight actions.

The relationships between the Members of Parliament (MPs) and their constituents are somehow non-existent in terms of gathering citizens' expectations. Therefore, the role of representation of the MPs needs to be strengthened, especially towards citizens' associations, non-governmental organisations (NGOs) and trade unions. Finally, the expected decentralisation law will have a significant impact on the role of the MPs which will be more focused on formulation of policies at national level. The newly elected MPs will need to be properly trained on their new role considering the existence of the Local Councils.

The future Local Councils in Governorates (expected to be elected during 1st quarter of 2011) as well as the other structures pertaining to the decentralisation process, will need institutional and technical capacity building activities. As it is presented now, the decentralisation process will be led by the Ministry of Interior and will take place at Governorate level. The Local Councils will be composed of 30 members (20 elected among which 3 mayors from the Coordinating Councils + 10 appointed by the Cabinet upon Governor's recommendation and selected from NSAs). Those Councils will be in charge for a 4-year term of developing a vision for the development of governorates, in coordination with the other decentralised structures (Executive Councils, Coordinating Councils of Mayors of Municipalities).

Jordan has more than 3,000 civil society organisations. According to the Mapping Study of community based organisations (CBOs) in Jordan (EU 2009 project) 4 sub-groups are identified: Grassroots-local community based organisations; national NGOs; umbrella organisations, and platforms. The key challenge is the weak and inconsistent role of the civil society to contribute actively to public policy development, monitoring and implementation. Existing mechanisms for on-going state/non-state/donor dialogue are in place but need strengthening and systematising to ensure that NSAs are aware of entry points for citizen voice, especially for CBOs.

Gender equality is an important component of the NIP and since the gender gap between males and females in Jordan remains a challenge, there is a need to promote a policy of gender mainstreaming initiatives. Most of the Jordanian NSAs have noted the need to involve women in decision-making process at all levels, and the 30-40 NGOs that represent women's interests will play a vital role in the 2010 election process by enhancing the participation of women as voters and as candidates. The challenge after the elections will be to maintain the gender mainstreaming and to provide the new members of the Parliament and the Local Councils with adequate tools and skills for promoting women's rights and including them in the legal framework.

2.2. Lessons learnt

The proposed project was elaborated based on the assessment of the problem and stakeholders analysis and taking into consideration lessons learned from ongoing and past projects.

The NGOs in Jordan have already been the recipient of extensive investment in capacity building yet with limited results. A major constraint is that training tends to be donor driven and thus feeds the demand from NGOs to become implementing partners for donor grants. As a result, many NGOs actually spend most of their time attending workshops, drafting proposals and implementing short term projects.

Capacity building for NGOs should aim to enable marginalised groups to participate directly in dialogue, and to influence decisions, rather than enabling NGOs to speak

on their behalf. Therefore, in terms of support to NSAs, it is crucial to include a component of dialogue with communities in order to avoid the NGOs to loose track of the reasons of their constitution.

Some of the ROM recommendations which have been formulated for the last Decisions on "Support to Human Rights and Good Governance in Jordan" have been taken into consideration in the present project, such as not to limit the provision of training to NGOs to European Commission procedures, but also to advocacy and lobbying activities. The present project will also avoid the multiplication of small-scale operations and will concentrate on the project's key activities.

2.3. Complementary actions

The project is complementary and builds on the results of the following EU-funded projects:

- *"Human Rights and Good Governance"* Programme (EUR 5 million) – status: ongoing. A Call for Proposals 'Strengthening the Role of Jordanian Civil Society in Public Policy' (EUR 1 million) was launched in 2009 to 'promote public policy development through a participative involvement of the civil society'.
- The EU is currently funding several projects in support of the CSOs under geographical and thematic financial instruments (ENPI, EIDHR, NSA-LA). The budget amounts approximately to EUR 8 million.
- *"Poverty Alleviation through Local development Program"* (PALD) – EUR 30 million – The Programme was completed as a budget support in December 2009. It mainly focused on poverty alleviation at the municipal level by creating a favourable environment for productive activities.
- *"Building development capacities for Jordanian municipalities"* (Baladiaty-2007) – EUR 3 million - This project comes as a follow-up measure to the PALD programme by enabling the promotion of employment opportunities and private sector development at the municipal level.
- *"Promoting Local Economic Development in Jordan"* (PLEDJ-2010) – EUR 5 million – This project is the successor of Baladiaty and aims at promoting and supporting local economic development initiatives and activities through collaborative partnerships between the municipal, community and private sector.

The project is also complementary with ongoing projects funded by other donors:

- *"Legislative Strengthening Project"*, funded by USAID (Budget US\$ 12 million), implemented by the 'State University of New York'.
- *The National Democratic Institute* (NDI) is implementing a project to support political parties in Jordan. One of the main interventions focused on ethics and accountability and resulted in the elaboration and adoption of a code of conducts for the MPs. The project has a budget US\$ 300,000. It started in 2006 and finished in 2009.
- *"Support to the Capacity Building of the Lower House of Parliament – Phase II"* funded by CIDA (Budget of US\$ 230,000), implemented by UNDP.
- *"Strengthening the Jordanian Civil Society"* grant scheme programme, funded by USAID (Budget US\$ 10 million), implemented by the 'Academy for Educational Development'.

2.4. Donor coordination

Donor coordination in Jordan involves regular meetings within the framework of the "Donor and Lenders Consultation Group" (DLCG), for which UNDP provides secretariat support. A subgroup on good governance was recently established within the DLCG. Donor coordination results in effective information sharing. In 2008, the Ministry of Planning and International Cooperation (MoPIC) established government-donor coordination working groups in different thematic areas, including good governance. The working groups meet on a yearly basis. An on-line information system (Jordan Aid Information Management System (JAIMS)) open to all donors' aid programmes has been set up and is expected to be up and running early 2010.

Besides these structured meetings, a regular consultation with various stakeholders and the civil society takes place on a daily basis. Currently, contacts from the American Embassy in Amman and USAID are on the increase and coordination is ensured with the Academy for Educational Development. It is particularly important for the sector of good governance since the US are active in the area of civil society support and monitoring of elections.

3. DESCRIPTION

3.1. Objectives

The Overall Objective is to support democratic governance in Jordan.

The Specific Objectives are:

Component 1: To strengthen the institutional and administrative capacity of the Chamber of Deputies (CoD);

Component 2: To build the institutional capacity of decentralised structures in all Governorates;

Component 3: To support Non State Actors (NSAs) to act as an effective drive for good governance and accountability.

3.2. Expected results and main activities

Expected Results are:

Component 1

- Enhanced efficiency, effectiveness, accountability, transparency of the CoD and of the Local Councils;
- Enhanced functioning of the Secretariat of the CoD;
- Enhanced functioning of the CoD and Local Councils committees;
- Strengthened interactions and accountability between the CoD/Local Councils and their constituents;
- Strengthened interactions between the CoD and the EP and EU Member States' Parliaments;
- Enhanced participation of women in the work of the CoD and Local Councils.

Component 2

- Developed institutional capacity of the decentralisation structures in Governorates.
- Developed capacity of the elected council's members in strategic planning, budget analysis and monitoring;
- Participatory development plans have been properly elaborated in Governorates (interaction with citizens);
- Local productive projects have been established;
- Recommendations and proposals to ensure better performance of the ministries departments and public institutions have been developed;
- Strengthened policy dialogue at governorate levels and increased public participation and women involvement.

Component 3

- Enhanced policy dialogue between Government and NSAs;
- Enhanced policy dialogue between Local Councils and CBOs;
- NSAs contribute significantly to public policy development, monitoring and implementation;
- Enhanced awareness of citizens political and civil rights;
- Enhanced women participation in the political and social life;
- Strengthened technical and advocacy capacity of NSAs.

The main activities include:

Component 1:

- Prepare and deliver a capacity and institutional building project to strengthen the administrative capacity of the CoD and Local Councils' members and Secretariat staff of the CoD;
- Facilitate the establishment of forum for discussion between CoD / Local Councils and civil society representatives;
- Establish a mechanism of coordination between the CoD, the decentralised structures and the NSAs;
- Facilitate the establishment of contacts/interactions between the CoD, the European Parliament and EU Member States Parliaments;
- Prepare and deliver activities to promote gender mainstreaming in the development of policies and to emphasize the role of women in civic and public spheres.

Component 2:

- Prepare and deliver a capacity and institutional building project to strengthen the decentralised structures in Governorates and their secretariats;
- Prepare and deliver actions to develop the capacities of the council's members in strategic planning, budget analysis and monitoring;
- Prepare and deliver actions to strengthen the capacity of the Development Unit at Governorates.

Component 3¹:

- Prepare and deliver actions to support NSAs inputs into public policy formulation, monitoring and implementation;
- Prepare and deliver actions to enhance the awareness of citizens political and civil rights;
- Prepare and deliver actions to enhance women participation in the political and social life;
- Prepare and deliver a capacity building project to strengthen the managerial, operational and advocacy skills of NSAs, including lobbying activities, NGOs network development and CBOs participation.

3.3. Risks and assumptions

- Peace and stability in the country/region.
- Full political support from the Government of Jordan.
- Continuous commitment from the Government of Jordan to the National Agenda, the EU-Jordan ENP Action Plan, and provides the necessary resources for their implementation.
- Organisation and holding of Legislative Elections in 2010 and Local Council's elections in 2011.
- Finalisation and approval of the draft decentralisation plan.
- EU Member States express interest in the proposed projects and second qualified experts.
- Beneficiary institutions provide the necessary human, material and financial support to the project.
- Good coordination among the main stakeholders.
- Public education and awareness and information campaigns on civil and political rights and women rights are understood /accepted by the local communities.

3.4. Crosscutting Issues

Gender Equality and Human Rights:

Based on fundamental principles of promotion of equality and struggle against discrimination, this programme will be equally accessible to all, regardless of gender, race, ethnicity, religious belief, disability, age or sexual orientation. While implementing the project activities and, to the extent applicable, the beneficiaries of the programme will ensure that gender disaggregated data will be made available to carry out an analysis of the social and economic impact of the actions undertaken.

Moreover, all the components of the Programme specifically target gender equality. The project will ensure that women and men elected members and staff of the CoD Secretariat and of the Local Councils will have equal opportunities to benefit from the capacity building activities. Specific workshops/seminars will target women elected members to enhance the women participation in the political life.

Protection of the environment:

¹ The activities of Component 3 will be more detailed once the Mapping Study of CSOs is finalized.

The activities of the programme will exclude any action implying damage to the environment, as well as any company or organisation which does not respect the current national legislation on environmental protection.

3.5. Stakeholders

The key target groups and stakeholders are as follows:

- Component 1: Secretariat of the Chamber of Deputies, Chamber of Deputies committees (14 in total among which 2-3 are expected to be targeted) and civil society organisations.
- Component 2: The 12 future Local Councils, Development Units at the Governorates, Executive Councils in the Governorates (12), Coordinating Councils of the Mayors of Municipalities, Ministry of Municipal Development, Ministry of Public Sector Development, Ministry of Finance, Ministry of Planning and International Cooperation, Ministry of Interior, and the civil society organisations.
- Component 3: The Non-State Actors in Jordan, the decentralised structures and the Ministry of Political Development.

4. IMPLEMENTATION ISSUES

4.1. Method of implementation

Partial decentralised (indirect) management

Components 1 and 3 will be implemented through partial decentralised management through the signature of a financing agreement with the Ministry of Planning and International Cooperation. The contracts shall be concluded by the Beneficiary, except for the Technical Assistance and the monitoring, audit and evaluation contracts, which shall be concluded by the European Commission on behalf of the Beneficiary.

The Commission controls ex ante all the procurement procedures except in cases where programme estimates are applied, under which the Commission applies ex ante control for procurement contracts > 50,000 EUR and may apply ex post for procurement contracts ≤ 50,000 EUR. The Commission controls ex ante the contracting procedures for all grant contracts.

Payments are executed by the Commission except in cases where programmes estimates are applied, under which payments are executed by the beneficiary country for operating costs and contracts up to the ceilings indicated in the table below.

The Responsible Authorising Officer ensures that, by using the model of financing agreement for decentralised management, the segregation of duties between the authorising officer and the accounting officer or of the equivalent functions within the delegated entity will be effective, so that the decentralisation of the payments can be carried out for contracts up to the ceilings specified below.

Works	Supplies	Services	Grants
< 300,000 EUR	< 150,000 EUR	< 200,000 EUR	≤ 100,000 EUR

Component 2 will be implemented in indirect management with the United Nations Capital Development Fund (UNCDF) in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. This implementation is justified because UNCDF's experience in the field of decentralisation and local governance is well-recognized. For instance, it is a member of the Development Partners Working Group on Decentralisation and Local Governance that gathers 27 development partners, including the European Commission.

The entrusted entity would be responsible for implementing component 2 through a mix of own staff and contracted consultants, including specialised experts and academics.

The entrusted entity is currently undergoing the ex-ante assessment in accordance with Article 61(1) of Regulation (EU, Euratom) No 966/2012. In anticipation of the results of this review, the responsible authorising officer deems that, based on a preliminary evaluation and on the long-standing and problem-free cooperation with this entity, it can be entrusted with budget-implementation tasks under indirect management.

The change of management mode from indirect to direct management, whether partially or entirely, is not considered a substantial change.

4.2. Procurement and grant award procedures

(1) Contracts

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents lay down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

Participation in the award of contracts for the present action shall be open to all natural and legal persons covered by ENPI². Further extensions of this participation to other natural or legal persons by the relevant authorising officer shall be subject to the conditions provided for in art. 21(7) of the ENPI regulation.

(2) Specific rules for grants

The essential selection and award criteria for the award of grants are laid down in the Practical Guide to contract procedures for EU external actions. They are established in accordance with the principles set out in Title VI 'Grants' of the Financial Regulation applicable to the general budget. When derogations to these principles are applied, they shall be justified, in particular in the following cases:

- Financing in full (derogation to the principle of co-financing): the maximum possible rate of co-financing for grants is 80%. Full financing may only be applied in the cases provided for in Article 253 of the Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of the Financial Regulation applicable to the general budget of the European Communities.

² REGULATION (EC) No 1638/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 24 October 2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument, OJ L 310 of 9/11/2006.

- Derogation to the principle of non-retroactivity: a grant may be awarded for an action which has already begun only if the applicant can demonstrate the need to start the action before the grant is awarded, in accordance with Article 112 of the Financial Regulation applicable to the general budget.

(3) Specific rules on programme estimates:

All programme estimates must respect the procedures and standard documents laid down by the Commission, in force at the time of the adoption of the programme estimates in question (i.e. the Practical Guide to procedures for programme estimates).

4.3. Steering Committees

A steering committee shall be set up to oversee and validate the overall direction and policy of the project every year. The project steering committee will be chaired by the Ministry of Planning and International Cooperation and shall be made up of representatives of the following institutions: Ministry of Planning and International Cooperation; Ministry of Political Development; Secretariat of the Chamber of Deputies; Local Councils. A representative of the EU Delegation will participate with observer status.

The MoPIC shall specify in the Overall Work Plan the Steering Committees' composition and rules of procedure. In addition a specific steering committee shall be set up for each component of the project to oversee and validate the direction and policy twice a year.

4.4. Budget and calendar

The total indicative cost of the project is **EUR 10,000,000**.

Indicative Budget Breakdown

Components	Implementation modality	Total Budget in EUR
Component 1 (Chamber of Deputies)	Grant to be awarded mainly through a Call for Proposals restricted to EU Member States' Parliaments and public mandated bodies <u>or</u> service contract (decentralised).	1,500,000
Component 2 (Local Councils)	Indirect management with the United Nations Capital Development Fund	4,400,000
Component 3 (NSAs)	Grants to be awarded to NSAs through Call(s) for Proposals (decentralised)	2,500,000
	Service Contract(s) (decentralised)	900,000
Monitoring, Audit and Evaluation (for the 3 components)	Service contract(s) (centralised)	200,000
Technical assistance (for the 3)	Service contract(s) (centralised)	200,000

components)		
Visibility and Communication	(centralised)	50,000
Contingency	(centralised)	250,000
Grand Total		10,000,000

Calendar

The execution period of the programme will include an operational implementation phase which will start from the entry into force of the Financing Agreement, and will have duration of maximum 48 months during which all projects will be carried out.

4.5. Performance monitoring

- (a) Day-to-day technical and financial monitoring will be a continuous process as part of the Beneficiary responsibilities. To this aim, the Beneficiary shall establish a permanent internal, technical and financial, monitoring system to the project, which will be used to elaborate the progress reports.
- (b) Independent consultants recruited directly by the Commission on specifically established terms of reference will carry out external monitoring ROM system on a regular basis.

4.6. Evaluation and audit

The European Commission will carry out a final evaluation of the programme. The European Commission may also carry out a mid-term evaluation if deemed necessary. Both evaluations will be carried out by independent consultants recruited directly by the Commission under specific Terms of Reference.

4.7. Communication and visibility

The necessary visibility, public relations and publicising activities will be undertaken to ensure that actions supported by the European Union (EU) incorporate information and communication activities designed to raise the awareness of specific or general audiences of the reasons for the action and the EU support for the action in Jordan, as well as the results and the impact of this support. To this end, appropriate use will be made of the "Communication and Visibility Manual for EU External Actions" in consultation with the EU Delegation in Jordan.