



Economic Development and Energy

USAID Jordan Competitiveness Program

BACKGROUND

As it enters its final year, the five-year USAID Jordan Competitiveness Program (JCP) has devised a set of activities that, while building upon the successes of its first four years, places a premium on **scaling and sustaining** those activities so that they may continue to grow and benefit USAID's economic development stakeholders and partners well beyond JCP's planned closeout in September of 2018.

Beyond their emphasis on scale and sustainability, what all JCP activities have in common is that they reflect the programmatic and operational transitions managed successfully by the program, especially in its fourth year. The most notable of these was JCP's establishment of the Jordan Compact Project Management Unit (PMU) at the Ministry of Planning and International Cooperation (MoPIC). This unit, which was established through JCP budgetary support, seconding of staff, and substantial input from the core JCP technical team, has been instrumental in activating the main work-streams of the Jordan Compact, which was agreed to in early 2016.

PROJECT OVERVIEW

With the signing of the Jordan Compact, JCP re-focused its activities to align with the Compact's goals and structured its activities to leverage the opportunities made possible by that historic agreement. The program devised an approach to structuring its interventions within three complementary work streams, all of which were designed to add value to the Jordan Compact: Legislative Reform for Ensuring an Enabling Business Environment, Promoting Investment, and Facilitating Trade. To leverage the opportunities made possible by the Compact, JCP structured its team to offer responsive, deliberate, and efficient support to the PMU and, through it, USAID's objectives in the country. In particular, JCP established a robust firm-level assistance program that so far has:

- Designed and implemented a comprehensive Firm Level Assistance Program to assist Jordanian firms with the potential to export to the European Union under the Compact's simplified "rules of origin" decision;
- Currently providing direct support to a number of selected firms with the highest potential to export within JCP's lifetime, assisting them by facilitating B2B meetings and developing marketing capacity and collateral; and
- Pairing these firms with a Europe-based JCP consultant who is assisting in the identification of specific buyers, thus working toward tangible deals.

At the same time, the project was careful to retain those core activities that would yield critical jobs, investment, and export numbers as their impact was realized. More on these activities and their accomplishments is included on the following page.



HRH Princess Dina Mired, then-Director General of the King Hussein Cancer Foundation and Dr. Wissam Rabadi, Chief of Party of the USAID Jordan Competitiveness Program, at the launch of the USAID-supported National Home Healthcare Initiative. The initiative is providing palliative care for patients in their homes, easing hospital resources, but more importantly, comforting patients and their families.

ACTIVITIES & ACCOMPLISHMENTS

Creating a more supportive enabling environment. JCP has exceeded its target for policy reforms and new regulations, having crafted at least 13 such legislative interventions and, through them:

- Developing all regulations and processes needed to activate the new investment law.
- Advocating for the adoption of tax incentives for both the ICT and clean tech sectors.
- Designing world-class Renewable Energy wheeling and pooling regulations that led to increased investments in this sector.
- Assisting Jordan with its accession to the Patent Cooperation Treaty (PCT).

These impressive achievements have since multiplied with the passage of new rules governing the work of the Jordan Investment Commission (JIC), a key USAID partner, and in particular the subsequent establishment of an Investment Promotion Directorate at the Commission—a move made possible by JCP's development of the Kingdom's Investment Promotion Strategy, also in year three. In the past year, JCP has contracted with an investment promotion agency to work with the JIC directorate directly, building its capacity, generating investment leads, and working toward measurable investment goals. This will be a signature activity of the program's fifth year.

Supporting the private sector through empowering relevant business associations. The above foundational policy interventions have paved a path forward for sector players to create the economic opportunities necessary for growth. Given its intimate knowledge of the respective sectors, including in-house expertise led by an all-Jordanian technical staff, JCP has been uniquely positioned to partner with the sectors' respective associations: int@j for the ICT sector, EDAMA for the clean tech sector, and the Jordanian Association of Pharmaceutical Manufacturers (JAPM) and the Private Hospitals Association (PHA) for the health and life sciences sector. Through these associations, JCP has sponsored a variety of interventions aimed at advocating for further enabling policies, developing their sectors' workforces, and connecting individual businesses with investors. Examples of these interventions include:

- Three rounds of a renewable energy certification program for female Jordanian engineers, implemented with the clean tech association EDAMA.
- JCP-facilitated partnerships with Intel and Microsoft which trained three cohorts of app developers and inventors, culminating in the Kingdom's first-ever Maker Competition, a December 2015 event held in partnership with the ICT association int@j.
- Another JCP-facilitated partnership between the pharmaceutical sector and the Jordan Food and Drug Administration (JFDA), which with USAID support is streamlining and automating the watchdog agency's drug registration process and shortening time to market.

Job creation through placement, entrepreneurship and investment promotion. JCP has so far secured 1,248 jobs as a result of USAID support, with 952 of those coming from job placement and 296 from job creation. This impact has been propelled by the program's dynamic placement as well as entrepreneurship and investment promotion efforts.

- *Job placement.* A grant to Akhtaboot to conduct a series of job fairs throughout the Kingdom has achieved 410 job placements. In addition, a grant to Jordan Education for Employment, which provides "bridging" internships for recent graduates entering the job market for the first time, has achieved approximately 450 placements so far, approximately 95 percent of which are in full-time jobs.
- *Entrepreneurship promotion.* Through its work with the seed investment fund Oasis500, JCP has helped generate approximately \$832,100 in investment in start-ups, which, in turn, have generated 30 jobs to date. Through its work with the start-up incubator iPARK, JCP has helped create 175 high-value jobs in ICT-related sectors and expanded incubation services to Irbid and Aqaba, where more jobs are expected.
- *Investment promotion.* As a result of its work with the Jordan Investment Commission as well as several ICT and clean tech firms, JCP estimates that more than 10,000 jobs will be indirectly created through the program's investment promotion and regulatory reform efforts.

PROJECT SNAPSHOT

Duration: Five years
 Total Funding: 45 million dollars
 Geographic Coverage: Jordan
 Implemented by: DAI

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