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ANNEX I

of the Commission Implementing Decision on the Special measure in favour of the Hashemite Kingdom of Jordan for 2022

Action Document for EU Support to Livelihoods under the Regional Response to the Syrian Crisis

ANNUAL MEASURE

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plan/measure in the sense of Article 23(4) of NDICI-Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

1. Title OPSYS Basic Act	EU Support to livelihoods under the regional response to the Syrian crisis Annual Measure in favour of the Hashemite Kingdom of Jordan for 2022 OPSYS business reference: NDICI-GEO-NEAR/2022/ACT-61209 ABAC Commitment level 1 number: JAD.1024607 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe).
2. Team Europe Initiative	No
3. Zone benefiting from the action	The action shall be carried out in The Hashemite Kingdom of Jordan
4. Programming document	N/A
5. Link with relevant MIP(s) objectives/expected results	N/A
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	Livelihoods and Employment Creation (DAC code 160: Other Social Infrastructure & Services & DAC code 250 Business & Other Services) Government & Civil Society-general (DAC code 151)
7. Sustainable Development Goals (SDGs)	Main SDG: 10 Other significant SDGs: 1, 5 &8

8 a) DAC code(s)	16020 – Employment creation 11330 – Vocational training 25030 - Business development services 15110 Public sector policy and administrative management 15196 Government and civil society statistics and data			
8 b) Main Delivery Channel	10000 Third Country Government (Delegated co-operation) 20000 – Non Governmental Organisations (NGOs) and Civil Society			
9. Targets	<input checked="" type="checkbox"/> Migration <input type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women’s and girl’s empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Tags digital connectivity digital governance	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	/

digital entrepreneurship	<input type="checkbox"/>	<input checked="" type="checkbox"/>	/
digital skills/literacy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
digital services	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tags			/
digital connectivity	<input type="checkbox"/>	<input type="checkbox"/>	
energy	<input type="checkbox"/>	<input type="checkbox"/>	
transport	<input type="checkbox"/>	<input type="checkbox"/>	
health	<input type="checkbox"/>	<input type="checkbox"/>	
education and research	<input type="checkbox"/>	<input type="checkbox"/>	
Migration	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reduction of Inequalities	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
COVID-19	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

BUDGET INFORMATION

12. Amounts concerned	Budget line(s) (article, item): 14.020110 Total estimated cost: EUR 20 000 000 Total amount of EU budget contribution EUR 20 000 000
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MANAGEMENT AND IMPLEMENTATION

13. Implementation modalities (type of financing and management mode)	Project Modality Direct management through: - Grants - Procurement Indirect management with the entity(ies) to be selected in accordance with the criteria set out in section 4.3.3
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1.2. Summary of the Action

This programme aims to increase economic and livelihood opportunities of refugees and vulnerable host communities in Jordan, thereby directly increasing their socio-economic well-being and self-reliance, in turn strengthening the political, economic and social sustainability of Jordan's development-focused refugee response. Through its action it will also help to strengthen the graduation element of existing social protection support and invest in the core logic of the Jordanian model. It will also further invest in data and evidence and other knowledge products and capacity support especially to national authorities that helps provide the requisite basis for evidence-based policy-making, monitoring and dialogue.

The programme includes action to strengthen the employability (supply side) of the target group as well as increasing private sector employment opportunities (demand side), focusing on a selected set of promising sectors such as green energy and environment (including water and waste management), social development (education, Technical and Vocational Education Training (TVET), health), handicraft and food production, ICT and transportation sector, culture and tourism.

The channels to increase employability and job opportunities focus inter alia on social entrepreneurship, business grants and traineeships, as well as financial inclusion and more direct engagement with the informal sector in order to contribute to increased formalisation of job opportunities.

As part of the regional response to the Syria Crisis, the programme responds to the priorities identified in the “Multiannual Indicative Programme” (MIP) for Jordan for 2021-2027¹, especially priority 3, “Investing in Human Development and Employability”, as well as linking to the multi-country “Migration Programme for the Southern Neighbourhood”, specifically support to displacement people and broader asylum management.

The programme complements and builds synergies with the parallel “Entrepreneurship and Private Sector Development Programme” proposed under the bilateral Annual Action Programme (AAP) 2022 as well as the “Partnership Cooperation Facility” (also AAP 2022). It will also be closely coordinated with the ongoing EU Trust Fund” programme in support to the Ministry of Social Development and Ministry of Labour as regards the economic empowerment of refugees and vulnerable Jordanians and the need for a systematic review of the regulations related to refugee employment.

This intervention is relevant for the 2030 Agenda. It contributes primarily to the progressive achievement of SDGs 1 “No Poverty” and SDG 10 “Reduced Inequalities.”

2. RATIONALE

2.1. Context

Today, with the Syria crisis entering its second decade, Jordan hosts around 670,364 UNHCR-registered Syrian refugees, although the total of Syrians living in Jordan following the outbreak of the war was estimated at around 1.36 million. They make up about 12.3% of the total population in Jordan and an overwhelming majority of them (estimated 90%) is living out of the camps. In line with the **EU-Jordan 2021-2027 Partnership Priorities**², the response to the Syria crisis continues to be politically and strategically framed by the **Jordan Compact**³. Against a backdrop of continued extreme vulnerability of refugees and vulnerable host communities, further exacerbated by the COVID-19 pandemic, pursuing investments to improve their access to services, ensure respect of their human rights, and working to enhance their potential for self-reliance, and creating opportunities for them to contribute to Jordan’s economic development remain high on the agenda.

The Jordan Compact builds on the **Jordan 2025 national vision and strategy**, the national blueprint for a ten-year economic development path. It identifies three major priorities: (i) addressing currently high levels of unemployment, particularly for women and youth, (ii) reducing poverty, which is concentrated in disadvantaged regions and (iii) increasing investment. The effectiveness and efficiency of the Syria Response is therefore closely linked to developments in Jordan. Even more so as prospect of return remain uncertain and inclusion and sustainability issues move to the fore, as the rationale for humanitarian approaches weakens over time. An approach that ensures inclusiveness of all vulnerable groups, in particular refugees (Syrians and others) should be sought, ensuring more and more alignment between EU’s bilateral and Syria response programmes. This is emphasised in various priorities the **Multi-annual Indicative Programme (MIP) 2021-2027 for Jordan**, in particular priority 3 “Support for Human Development” that aims at supporting the

¹ C(2022)3821

² <https://data.consilium.europa.eu/doc/document/ST-3304-2022-ADD-1/en/pdf>

³ EU-Jordan Compact, adopted in December 2016, contains a comprehensive package which combines assistance in diverse policy areas such as trade, employment, mobility, countering violent extremism and education. In exchange, Jordan has adopted diverse measures to facilitate social and economic inclusion of Syrian refugees.

development of a business environment for more entrepreneurship and self-employment, building capacity among Jordanians and refugees, Syrian refugees in particular. This is also in full adherence with the “Alliances for Sustainable Growth and Jobs” and “Migration Partnerships” priorities of the Commission.

Jordan became a global model for a development-focused approach to hosting refugees, in large parts due to its willingness to ease refugee access to the labour market and self-reliance opportunities in exchange for substantial development and humanitarian support from the international community. The fundamental gambit of the Compact was - and is - that a development-focused approach to hosting refugees supported by the country and the international community would provide socio-economic benefits to refugees and their hosts alike.

Jordan has no national refugee law that would provide for a residency status that would, in turn, govern formal access to the labour market. It is not a signatory to the 1952 International Refugee Convention or its 1967 Protocols. Formal work for Syrians is conditional on obtaining a work permit. As part of the 2016 Jordan Compact, the international community agreed to make concessional trade and finance available to Jordan, on the condition that they formalise employment for 200,000 Syrian refugees. Syrian refugees’ work is regulated by specific provisions, in general accordance with the provisions of the Jordanian Labour Law of 1996 and its amendments. Sectors and professions, which Syrians (but not other refugees) can access, are defined by the government. Open sectors include manufacturing, construction and agriculture, as well as home-based business for restricted activities. There are also flexible work permits which allow refugees to move between similar jobs in the same sector, as well as among employers and Governorates.⁴ Closed sectors include some sales, education, hairdressing and most professional jobs, i.e. requiring qualifications.

A decade into the Syria response, this basic approach is put to an acute test: a variety of socio-economic stressors present challenges not just for Jordan, but the wider region. Poverty rates have increased, as has unemployment. Durable solutions for the Syria crisis remain elusive, large-scale return in safety and dignity remains impossible, resettlement is only available to a small percentage and full integration seems out of political reach. At the same time, socio-economic evidence of the impact of existing policies and programmes remains fragmented, with a direct impact on focused policy dialogue and planning.

The EU remains committed to maintaining strong economic support to Jordan's stability, by promoting new opportunities, entrepreneurship, economic growth, and attracting foreign investors. This also reflects the EU’s geopolitical priorities as formulated in the “**Joint Communication on a Renewed Partnership with the Southern Neighbourhood – a New Agenda for the Mediterranean**”⁵, the annexed Economic and Investment Plan⁶ and related Council Conclusions⁷ as well as the international responsibility-sharing with regards to hosting refugees, equally reflected in the EU policy framework⁸

This action is based on in-country dialogue with EU Member States as well as the wider international community. It builds on the prominent role played by the EU Trust Fund (EUTF) for the Syria Crisis (Madad Fund) and existing regional programmes focusing on self-reliance. The programme complements and builds synergies with the parallel “Entrepreneurship and Private Sector Development Programme” and the “Partnership Cooperation Facility” proposed under the bilateral Annual Action Programme (AAP) 2022), as well as the basic and vocational education programmes under the bilateral support and the special measures in response to the Syrian crisis 2022 (working on the quality of education and the issue of mismatch between

⁴ Until 2020 flexible permits were only allowed for jobs in agriculture and construction but recently the Ministry of Labour expanded this type of permit to all sectors allowed for non-Jordanians.

⁵ *Joint Communication ‘A Renewed Partnership with the Southern Neighbourhood - a New Agenda for the Mediterranean’ – JOIN(2021)2 final of 09/02/2021*

⁶ SWD(2021) 23 final

⁷ <https://data.consilium.europa.eu/doc/document/ST-7931-2021-INIT/en/pdf>.

⁸ Lives in Dignity communication; Migration and Asylum Pact

skills and labour market). It will also be closely coordinated with the ongoing “EU Trust Fund” programme in support to the Ministry of Social Development and Ministry of Labour as regards the economic empowerment of refugees and vulnerable Jordanians and the need for a systematic review of the regulations related to refugee employment.

It also complements the opportunities offered by the revised “**Rules of Origin Scheme**” granting firms employing Syrian refugees in Jordan preferential access to the EU market. . It further joins forces with Member States and other international support to support the economic empowerment of vulnerable refugees and Jordanians.⁹

2.2. Problem Analysis

Short problem analysis

Unemployment and especially youth unemployment in Jordan was substantial and rising even before the further and substantial impact of the war in Syria and the socio-economic impact of COVID-19. That said, in the last quarter of 2020, unemployment affected 24,7% of the population, among which 50% of the Jordanian youth and disproportionately affects women (32,8% in Q4 of 2020 compared to 22,6% for men – in 2019, 23% of women were unemployed, compared to 13% of men). Female labour force participation is among the lowest in the world, at just 14.4% in 2019 compared to 63.7% for men. One third of all young people belong to the NEET group (neither employed, nor in education or in training) including a large proportion holding tertiary education and 75% being women¹⁰. Overall, in a difficult global and regional context, a small, service-based economy, dominated by the public sector, did not create the quality jobs in the private sector at the scale required for a growing population. The gap between educational outcomes and the needs of the labour market (known as the ‘skills mismatch’) is a primary driver of high unemployment.

According to the International Labour Organisation (ILO), for all Syrians in Jordan, the labour force participation rate had increased from 28% in 2014 to 33% in 2018, with Syrian women labour force participation reaching 9% in 2018 (from 4% in 2014)¹¹. Refugees in Jordan work either in the formal labour market, as incentive-based ‘volunteers’ under programmes financed by the Syria response, or in the countries’ large informal labour market¹². According to UNHCR estimates work permits probably account for around 1/3 of the working Syrian refugee population – i.e. 2/3 are employed in the informal sector.¹³

Largely due to the socio-economic impact of the COVID-19 pandemic, and despite having made progress on access to work for refugees, overall employment opportunities in Jordan have shrunk. The refugee population remains economically even more vulnerable and highly aid-dependent.

In the immediate term, the impact of COVID-19 seems to have disproportionately affected those working in the informal sector and camp-based refugees whose freedom of movement to opportunities out-of-camp were highly curtailed due to pandemic restrictions. The consequences for well-being are far-reaching. According to the surveys undertaken in the framework of the most recent annual CARE needs assessment, the most substantial stressors affecting respondents’ safety and protection in 2021 – by a large margin (80.2%) - were the lack of income opportunities, followed by COVID-19 (CARE 2022:6)¹⁴.

Among CARE survey respondents in 2021, some 59.2% were unemployed. And of those employed, the majority worked without a written or oral employment contract. Many Syrian refugee households face wider

⁹ The EU Delegation in Amman leads coordination with EU Member States through regular meetings of the Development Counsellors, and participates to the coordination platforms established for the various National Response Plans.

¹⁰ ETF: unblocking the potential of Youth in the southern and eastern Mediterranean published in spring 2021 https://www.etf.europa.eu/sites/default/files/2021-03/youth_in_semed.pdf

¹¹ <https://reliefweb.int/report/jordan/impact-work-permits-decent-work-syrians-jordan-september-2021-enar>

¹² An estimated 51% in Jordan overall as of 2019 (ILO, Labour Force Statistics, Employment and Unemployment Survey at <https://ilostat.ilo.org/topics/informality/>).

¹³ The CARE annual Assessment survey shows that only 22% of Syrians have a work permit, the lowest rate in the last two years.

¹⁴ <https://data.unhcr.org/fr/documents/details/92107>

and increasing socio-economic vulnerabilities (depleted household savings, sold productive assets) and may resort to negative coping mechanisms including increased social-conservative tendencies and attitudes. In recent years, early marriages of girls have increased, which exacerbates protection risks. Key problems therefore relate to very basic welfare but also to the wider impact on community relations if the common pie shrinks further.

While overall acceptance of refugees in Jordan remains high, surveys seem to indicate rising perceptions of competition in the labour market and of a negative impact of the refugees on the welfare of Jordanians (initial rise in demand has petered off). This is possibly more so outside Amman (CARE 2022:11). It is critical to ensure that evidence and experience are mustered to counteract such developments.

While overall figures paint a problematic picture, policy dialogue as well as programming is hampered by the lack of up-to-date socio-economic data and analysis. The last substantial analysis of the socio-economic situation of refugees and hosts dates from pre-COVID. There is also a need to provide continuing support to the monitoring of the broader impact policies regulation as well as international support and interventions under the Jordan Response Plan and the Jordan Compact arrangements to ensure the foundation for evidence-based dialogue and joint action.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action.

Government actors and ministries in charge of a) national employment and private sector engagement and b) the refugee response in particular:

- **Ministry of Planning and International Cooperation (MOPIC):** 1) Holds overall responsibility for the coordination of the Syria response; 2) Work as a liaison between donors and international financing institutions, and the ministries and government institutions.
- **Ministry of Social Development (MoSD):** responsible for facilitating the policy dialogue and the coordination of social protection policies and has recently been designated as the lead Ministry in the implementation of the NSPS 2019-2025.
- **Ministry of Industry, Trade and Supply (MoITS):** 1) Administration of Jordan economic and commercial dual, regional and international multiple parties relations; 2) Developing and implementing the policies, legislations and programmes aiming to boost business and investment environment in a form that increases Jordan economic attraction and insures the consumers and business sector rights and benefits.
- **Ministry of Digital Economy and Entrepreneurship (MoDEE):** Enhancing the legislative and regulatory environment and upgrading the infrastructure to enable digital transformation and state and stimulate creativity and innovation.
- **Ministry of Investment:** to stimulate and activate investments in the Kingdom by keeping pace with and developing infrastructures, and promoting investment opportunities and exports to increase the effectiveness of domestic and foreign investments and ensure financial sustainability.
- **Jordan Enterprise Development Corporation (JEDCO):** Achieving growth in start-ups and Small and Medium Enterprises (SMEs) by improving the business environment, encouraging and supporting entrepreneurial enterprises and start-ups, enhancing SME competitiveness, and focusing on innovation and the technological component of these institutions.
- **Ministry of Labour (MoL):** Regulating the Jordanian labour market and putting in place the instructions necessary for providing job and employment opportunities for Jordanians inside and outside the Kingdom in cooperation with specialised parties.
- **Local Authorities:** Jordan is divided into 12 governorates, each headed by a governor and subdivided into administrative regions. Governors enjoy wide administrative authority, and in specific cases they exercise the powers of ministers.

- **Refugees and host communities.** The final beneficiaries are also considered as a stakeholder and will be consulted to ensure this action is adapted to their needs. In particular, refugee engagement and roles in camp management and assistance delivery both in and out of camps is seen as critical.

Private sector actors will play prominent roles both as enablers and targets of the intervention. This includes small to medium-sized enterprises, social entrepreneurs but also, where possible, associations of workers and business in the informal sector, covering host communities as well as refugees.

Civil society organisations (CSOs) provide the most vulnerable people and refugees with employability skills and entrepreneurship services in co-operation with decentralised government authorities and private sector actors. However, the CSOs contribution and involvement in entrepreneurship and economic empowerment remains extremely fragmented and the level of co-operation, sharing of ideas and co-ordination among CSOs, and with the international community, remains low.

Wider international partners are stakeholders especially with regards to the data and analysis component of this action, producers of critical data but also consumers of future products which aim to further joint analysis and sharpen responses in the sector.

2.3. Lessons learned

The Overall Evaluation of Livelihoods activities under the Madad Trust Fund¹⁵ underlines the need to invest in project design but also solid evidence and prepare for a longer term time horizon (5 years); points out the need to both build on successes in improving skills and qualification of targets groups, but also to ensure adequate focus on demand side of the labour market and local economies in order to avoid simply feeding the informal market, if at all. It also warns of not overestimating the likely impact of gender targeting within a wider societal context in the MENA countries.

There is a need to ensure skills training that focuses carefully on individuals' profiles, ensuring counselling and job placements as well as financial literacy. At the same time, integrate livelihoods activities with a view to ensuring multiplier effects and institutional sustainability – aligning with existing structures and economic development planning. The evaluation highlights the importance of not ignoring the factual importance of the informal economy and disaggregation of both refugees and host population in terms of different vulnerabilities.

Mid-term Evaluation Qudra 2 – Resilience for refugees, IDPs, returnees and host communities in response to the protracted Syrian and Iraqi crises (August 2021):

For Jordan, the evaluation emphasised the ongoing relevance of investing in resilience. Furthering employment skills development was appreciated by all trainees and seen to increase employability (achievement to be measured at end of project). Adequate planning is however needed to ensure the participation of refugees. Linking sub-contracted education and training institutes with employment components is a factor of success and ensures effectiveness. Generally targets relating to training, providing labour market services, placements and skills trainings are likely to be achieved, while absorption capacity of the labour market is likely to be further restricted due to COVID-19. The evaluation underlined the importance of participatory approaches by consulting 'beneficiaries' during planning and implementation thus giving them a voice and sense of increased ownership. Difficulties in getting buy-in of government stakeholders can be mitigated through continuous dialogue and clear linkages to local development planning and ambitions. Delays in implementation as a result of COVID-19 need to be countered by keeping flexibility in

¹⁵ Final Evaluation Report (June 2019) – EuropeAid/138782/DH/SER/MULTI Evaluation of EUTF Syria-funded Programmes and Projects for Livelihoods

implementation modalities to adapt, if and when necessary. The evaluation also highlights the importance of anchoring modalities for mutual learning over the programme cycle and beyond (included in SO 2).

CARE annual needs assessment (January 2022)¹⁶:

Reviews of Compact implementation: Experience with the existing compact monitoring exercises has shown the importance of systematically engaging government, UN and civil society stakeholders in an iterative process of evidence-gathering and joint analysis in order to recall the fundamental objectives of multilateral and joint action in the policy response, as well as ensuring the EU's central role and comparative advantage in the coordination of such action. Lessons learned included both the general relevance, but also the need for more dedicated attention, including networks to national research and statistics institutions and the need to support the MoPIC in its coordination and analysis function.

Studies of the socio-economic dimension of the Jordan refugee response have repeatedly underlined the importance of paying attention to sub-national political economy to understand the opportunities but also constraints for inclusion of refugee policy and refugee communities in regional planning and socio-legal institutions.¹⁷

UNHCR ROM (December 2021):

Concludes that UNHCR has a consolidated experience in implementing social transfer programmes in Jordan¹⁸ but there is an urgent need to scale up the current classic response of cash assistance for a wider development approach able to change the situation of refugees and help them exit this type of funding. The UNHCR action is based on the assumption that the graduation approach will provide the capacity needed to meet the needs of the refugees, as well as a reduction of 10% per year of cash assistance (currently a total 115,811 Syrians and 9,537 non-Syrians are receiving cash assistance). This outcome is however dependent on solid steering mechanisms for cases (enhanced by the ongoing ILO/UNICEF action¹⁹) and an employment system that provides sustainable employment opportunities for a family to ensure they do not slip back into the category of being highly vulnerable. The link between engaging in the graduation process and eligibility for cash assistance can be detrimental for the success of the approach. Hence, a parallel action that delinks access to decent jobs and seizing economic opportunities from graduation is worth exploring.

ROM on Mobaderoon (Enterprises) for social change – Social Entrepreneurship (July 2021):

Extremely positive, highlighting positive impact and delivery but also then need to sustain support. The programme has been a catalyst for setting up for the first time a national Advisory Panel, led by MoDEE, with a clear mandate to overview the legal framework of the social enterprise ecosystem in Jordan. Commitment and ownership are clearly demonstrated by all key stakeholders and actors as well as by final beneficiaries. Physical presence in the targeted areas through co-partner Ruwwad's community support centres and focal points in each of the three priority governorates has been central to the reach and success of the sub-granting scheme. The quality of the outputs is high across the three benefiting governorates and results are inclusive amongst the different targeted groups

3. DESCRIPTION OF THE ACTION

3.1. Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to increase the socio-economic well-being of vulnerable refugees and host populations in Jordan and decrease relative inequalities.

¹⁶ Based on a survey of 2674 households, and some 40 focus groups;

¹⁷ Eg. World Bank Impact Studies, Refugee Economies Studies, Oxford

¹⁸ T04.233 – Providing social protection assistance for refugees in Jordan

¹⁹ T04.235 – Towards an inclusive national social protection system and accelerating decent job opportunities for Syrians and vulnerable Jordanians

The Specific(s) Objective(s) (Outcomes) of this action are to

1. Improve income and access to decent jobs for refugees and their hosts;
2. Improved and more evidence-based policy-making and dialogue on socio-economic challenges and opportunities of refugees and their hosts in policy, dialogue and programming.

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are

- contributing to Outcome 1 (or Specific Objective 1):
 - 1.1.Strengthened capacities and skills of refugees and hosts to seize economic opportunities;
 - 1.2.Increased access to decent private sector jobs and social entrepreneurship opportunities in the formal sector benefitting youth and women in refugee and host populations including strengthened value chains, market linkages and financial inclusion especially for home-based businesses involving refugees and host communities;
- contributing to Outcome 2 (or Specific Objective 2):
 - 2.1.Greater availability and use of data and evidence related to economic opportunities and livelihoods of refugees and their hosts in policy dialogue, planning and implementation for government, donors and other partners.

3.2. Indicative Activities

Activities related to Output 1.1 & 1.2.

- Support to selected vocational training partners (public and private) in providing technical training, employment readiness support and labour market services in cooperation with the private sector, including in innovative and digital sectors; also in view of promoting circular, and green economy.
- Support to job placement, mentoring, job placements and internship sponsorship, building on work-based learning model developed under Qudra II;
- Financial inclusion and financial literacy, including for home-based businesses – linkages created to credit-based interventions;
- Procedural support to stakeholders to manage regulatory barriers for labour market inclusion;
- Accreditation/ recognition of informal training;
- Enterprise development in targeted sectors, including the digital sector;
- Enterprise challenge grants;
- Provide companies with legal support to facilitate business registration/documentation requirements;
- SME mentoring schemes, focus on online markets. Small service providers and crafts persons supported through flexible demand and market-oriented skills training;
- Capacity development on the implementation of social services-related community projects;
- Building the capacities of local authorities and local training providers to increase the employability of young populations and women and link them with job opportunities, including in the digital sector.
- Technical support on how to partner with the private sector and to boost local economies and generate jobs through investments that benefit local and displaced residents
- Strengthening of social enterprises support structures (social enterprises clusters/incubators/accelerators) and establishment of partnerships with EU equivalent organisations.

Activities related to Output 2.1:

- Production of gender and age disaggregated data;
- Sustainability analysis, protection and human rights component as part of a decent jobs agenda (not exclusively);

- Market and value chain analysis; labour market assessments; skills profiling; focus will be placed on opportunities to promote circular and green economy
- Socio-economic surveys focusing on refugee livelihood: household income, consumption profile;
- Political economy analysis at national and sub-national level;
- Support to planning, implementation and impact monitoring of the JRP, including technical assistance and support to the department of Statistics;
- Annual monitoring of achievements under the compact commitments, including the RoO scheme;
- Dialogue support to connect sub-regional economic stakeholders on the basis of analytical products.

3.3. Mainstreaming

Environmental Protection, Climate Change and Biodiversity

The action will promote the adoption of an Environmental Management Plan (EMP), describing the minimum environmental standards and procedures that must be followed, where relevant, and applied in implementing the activities falling under this action.

Outcomes of the Strategic Environmental Assessment (SEA) screening: The SEA screening concluded that no further action was required.

Outcomes of the Environmental Impact Assessment (EIA) screening

The EIA screening classified the action as Category C (no need for further assessment).

Outcome of the Climate Risk Assessment (CRA) screening (relevant for projects and/or specific interventions within a project).

The CRA screening concluded that this action is no or low risk (no need for further assessment).

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1 (significant objective). This implies that a significant part of activities under SO 1 will aim to address existing gender inequalities relating to economic engagement of refugees and vulnerable Jordanians and further economic inclusion of women in particular through gender-sensitive approaches and engagement of female-headed households and support to women-led businesses. Action related to SO2 will help produce gender disaggregated data on livelihoods of refugees and their hosts to inform future action, analysis and advocacy.

Human Rights

Human Rights considerations are integral to the formulation of the action which focuses on restoring socio-economic rights of refugees and vulnerable Jordanians, notably through a decent jobs agenda.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D1. This implies that especially under the support to social entrepreneurship, better and greater inclusion of person with disabilities will be an integral part of support.

Democracy

This action mainstreams considerations of democratic governance by aiming to decrease societal inequalities, with an indirect impact on participation in governance writ-large. The component focusing on data and analysis will strengthen transparency.

Conflict sensitivity, peace and resilience

Jordan started a conflict analysis process in 2021. The action will help to prevent an increase of inter-communal tensions between refugees and their hosts which could result from increased economic scarcity and real or perceived competition for resources and/or the perceptions that refugees benefit from greater support from the international community than their equally vulnerable hosts. The action directly aims to increase overall resilience of the target populations.

Disaster Risk Reduction

Not applicable

3.4. Risks and Assumptions

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
1-External environment	Regional or global shocks fundamentally affect the economic opportunity structure in Jordan.	M	M-H	Diversity of approaches may help mitigate overall impact and allow recalibration of operations, while negative shocks will by definition increase the relevance of the action and decrease its effectiveness.
1-External environment	Political blockage by national or sub-national stakeholders given the sensitive nature of the engagement and/or lack of political buy-in by government stake-holders.	M	M	Continuous and active policy dialogue and a high degree of transparency and participation is needed during planning and implementation in order to generate trust and a positive attitude among partners. Action under SO 2 aims to directly work to help ensure buy-in, including through close cooperation with the national statistics office and sub-national planning structures.
2- Planning, processes and systems	Sustainability	M	M	A focus on refugee-led organisations will aim to anchor social sustainability.
2- Planning, processes and systems	Low women participation in training activities, as well as in the job market.	H	M	Programme will proactively seek to identify suitable female candidates to promote the benefits of the programme to women.
2- Planning, processes and systems	Cooperation with private sector actors with incentives structures that increase the risk of exploitative labour practices.	L	M	The action itself directly aims to foster decent work and will work to ensure adherence to UN Guiding principles on Business and Human Rights (due diligence)
4-Legality /regulatory framework	Legal framework will further restrict	H	M	Action directly engages with regulatory actors at level of policy dialogue, operations will be designed

	refugee access to the labour market/ restrictions will be maintained.			as a two-pronged strategy to be effective both within existing framework as well as changing framework.
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External Assumptions

- The Government of Jordan maintains its commitment towards refugees and the goal of joint economic development for refugees and their hosts and there is an overall interest to ensure evidence-based policy.
- A societal consensus continues to ensure that refugee populations are permitted to remain in Jordan.
- The Jordan economy’s absorption capacity does not suffer from a significant external shock

3.5. Intervention Logic

The underlying intervention logic for this action is that by training and up-skilling of potential job-seekers with market-relevant skills, supporting and expanding community-based mentoring and placement services that link them with interested business or social enterprises, as well as working on the demand side in support of business development, initiation and the expansion of the social enterprises and providing the needed analysis and data for both sets of action, the intended outputs can be achieved, as detailed below.

The skills of refugees and hosts to seize economic opportunities are expanded, while on the demand side, there is progressively greater access to decent and sustainable private sector jobs. At the same time, as improved data and analysis related to economic opportunities and overall livelihood of refugees and their hosts is embedded in planning and coordination structures and made available to policy-makers and other stakeholders, the overall nature of the dialogue as well as related programming becomes more evidence-based, allowing clearer formulation of common objectives, as well as eventual challenges to achieving these. The latter is both conditional but also helps to maintain the broad consensus that refugee populations are permitted to remain in Jordan and the goal of joint economic development for refugees and their hosts. In this regard, data and analysis is important to show if and how win-win outcomes for both populations can be achieved over time.

The broader but critical role of labour market legislation, including the opening of categories for formal job opportunities and work permits will remain a challenge – the SO 2 of this action aims to further related policy dialogue while programme action under SO 1 will be ready to adapt to any potential opening of the formal labour market. More evidence-based formulation of policy and shared understanding of key challenges and opportunities will provide a basis for long-term planning within a context where refugees and hosts are gradually more able to generate additional non-aid income, a key factor of individual and community well-being as long as the political and security situation does not deteriorate and inclusive service provision, notably in education but also water, health and energy can be maintained, not negatively disrupting spending profiles. Broader policy dialogue priorities in the course of this action are that overall agreement on fundamental tenets of the Jordan Compact is maintained and kept visible in public discourse while key bottlenecks are identified and jointly addressed.

3.6. Indicative Logical Framework Matrix

Results	Results chain: Main expected results	Indicators [it least one indicator per expected result]	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	Increased socio-economic well-being for vulnerable refugees and host populations in Jordan	<ul style="list-style-type: none"> % of targeted households who report improved income 6 months after EU support, disaggregated by sex, community of origin, disability status, migration status, age Proportion of the population living below the international poverty line by sex, community of origin, age, employment status and geographic location (SDG 1.1.1.) National unemployment rate (SDG 8.5.1) and disaggregated unemployment by sex, community of origin, geographic location 	1: 0 2: 3: 25% national-wide, Syrian 31% (VAF)	Tbd	Government statistics Baseline and endline surveys conducted and budgeted by the EU-funded intervention	<i>Not applicable</i>
Outcome 1	1. Improved income and access to decent jobs for refugees and their hosts	<ul style="list-style-type: none"> Percentage of beneficiaries who found a job within 6 months after having received support from the EU-funded intervention, disaggregated by sex, age, disability and migration status Percentage of beneficiaries who report a perceived improvement of their living conditions associated with having received support from the EU funded interventions, disaggregated by sex, age, disability, and migration status. Number of (a) jobs, (b) green jobs supported/sustained by the EU (*NDIC RI) 	1.1:0 1.2: 0 1.3.: 0 1.4.: 0	Tbd	Programme reporting, impact evaluation, monitoring national employment surveys	The GoJ maintains its commitment towards refugees and the goal of joint economic development for refugees and their hosts and there is an overall interest to

		<ul style="list-style-type: none"> Number of beneficiaries with access to financial services with EU support: (a) firms, (b) people (all financial services), (c) people (digital financial services) (*<i>NDICI RI</i>) 				<p>ensure evidence-based policy</p> <p>A societal consensus continues to ensure that refugee populations are permitted to remain in Jordan.</p> <p>The Jordan economy's absorption capacity does not suffer from a significant external shock</p>
Outcome 2	2. Improved & more evidence-based policy-making and -dialogue on socio-economic/livelihood opportunities	<p>2.1 Status of new legislation or other policy measures improving access of refugees to the labour market</p> <p>2.2 Policies and decisions that target barriers to self-reliance and are included in county and national planning</p>	2.1 2.2	Tbd	<p>Programme reporting & documentation, interviews with stakeholder, inception report, evaluation</p>	<p>Relevant policy makers and other stakeholders have interest in widening the knowledge base in question and</p>

	of refugees and their hosts.					authority to act on it
Output 1 related to Outcome 1	1.1.Strengthened capacities and skills of refugees and hosts to seize economic opportunities	<p>1.1.1. Number of people who have benefited from institution or workplace based VET/skills development interventions supported by the EU: (a) all VET/skills development, (b) only VET/skills development for digitalisation (*NDICI RI)</p> <p>1.1.2. Percentage of beneficiaries who report receiving useful information from the labour market support system supported by EU-funded interventions, disaggregated by type of users, age, sex and disability status</p> <p>1.1.3. Number of migrants, refugees, and internally displaced people or individuals from host communities protected or assisted with EU support (*NDICI RI)</p> <p>1.1.4. Number of trainers trained in VET/skills development interventions</p>	<p>1.1.1: 0</p> <p>1.1.2: 0</p> <p>1.1.3: 0</p> <p>1.1.4: 0</p>	Tbd	Programme reporting & documentation, interviews with stakeholder, inception report, evaluation	
Output 2 related to Outcome 1	1.2.Increased access to private sector jobs and social entrepreneurship opportunities benefiting youth and women / Strengthened value chains, market linkages and financial inclusion	<p>1.2.1. # of SME or social enterprise benefitting from financial or legal/mentoring support (business registration/documentation requirements)</p> <p>1.2.2. # of social services related community projects supported through capacity building measures.</p> <p>1.2.3. Number of self-employed individuals and owners of micro and small firms benefiting from business development services, disaggregated by sex, community of origin, age, disability status and type of business development services received (digital development services, Sustainable Consumption and Production services, or other)</p> <p>1.2.4. Number of people directly benefiting from EU supported interventions that aim to reduce social and economic inequality (output level) (* NDICI RI)</p>	<p>1.2.1:0</p> <p>1.2.2:0</p> <p>1.2.3: 0</p>	Tbd	1.2.1 1.2.2	

	especially for Home-based businesses					
Output 1 related to Outcome 2	Increased production and use of data and evidence related to economic opportunities and livelihoods of refugees and their hosts.	<p>2.1.1. Number of planning documents and reports relating to the refugee response using data/analysis produced under the programme.</p> <p>2.1.2. Number of employment-related or socio-economic databases expanded and made publicly available;</p> <p>2.1.3. Number of actors in charge of responses affecting economic opportunities and livelihoods of refugees and their hosts receiving capacity support (e.g. JRP)</p>	0	Tbd	<p>Policies and programmes at regional, country or sub-national levels. Stakeholder surveys. Project reports</p>	<p>Security and political conditions in environments chosen for research continue to be conducive to data gathering.</p>

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the Hashemite Kingdom of Jordan.

4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 60 months from the date of adoption by the Commission of this financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this financing Decision and the relevant contracts and agreements.

4.3. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures²⁰.

4.3.1. Direct Management (Grants)

a) Purpose of the grant(s)

The grant(s) will contribute to achieving SO 1: Improve income and access to decent jobs for refugees and their hosts.

b) Type of applicants targeted

Type of applicants targeted are consortia composed of all or any of the following: legal entities, natural persons or groupings without legal personality; public bodies, international organisations, NGOs, economic operators such as SMEs.

4.3.2. Direct Management (Procurement)

The procurement(s) will contribute to achieving SO 2: Improved and more evidence-based policy-making and dialogue on socio-economic challenges and opportunities of refugees and their hosts in policy, dialogue and programming.

4.3.3. Indirect Management with a pillar-assessed entity

A part of this action may be implemented in indirect management with pillar assessed entities, which will be selected by the Commission's services using the following criteria:

- Relevant experience and collaborations corresponding to the nature of the action, notably experience in refugee settings.
- Technical competence on refugee assistance, livelihoods and related sectors;
- Proven logistical and management capacities;

²⁰ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

- Value added in relation to operational synergies and/or policy dialogue.

The implementation by this entity entails activities contributing to Outcome 1, namely strengthened capacities and skills of refugees and hosts to seize economic opportunities and Increased access to private sector jobs for youth in refugee and host populations as well as activities contributing to Outcome 2: Improved & more evidence-based policy-making and dialogue on socio-economic challenges and opportunities of refugees and their hosts in policy, dialogue and programming.

4.3.4. Changes from indirect to direct management (and vice versa) mode due to exceptional circumstances

- In exceptional circumstances, the direct management modality through grants as per section 4.3.1 will revert to indirect management by a pillar-assessed entity identified based on the selection criteria set under section 4.3.3.
- In exceptional circumstances the direct management modality through procurement under section 4.3.2 will revert to indirect management by a pillar-assessed entity identified based on the selection criteria set under section 4.3.3.
- In exceptional circumstances, the indirect management modality will revert to direct management through grants with targeted applicants composed of all or any of the following: legal entities, natural persons or groupings without legal personality; public bodies, international organisations, NGOs, economic operators such as SMEs.

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission’s authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)
Implementation modalities – cf. section 4.4	
SO 1 composed of	16 000 000
Grants (direct management) – cf. section 4.3.1	NA
Indirect management with a pillar-assessed entity – cf. section 4.3.1	9 000 000
SO 2 composed of	4 000 000
Procurement	NA

Indirect management with a pillar-assessed entity -- cf. section 4.3.1	500 000
Grants – total envelope under section 4.3.1	7 000 000
Procurement – total envelope under section 4.3.2	3 500 000
Evaluation – cf. section 5.2 Audit – cf. section 5.3	Covered by another Decision
Communication and visibility – cf. section 6	N.A.
Totals	20 000 000

4.6. Organisational Set-up and Responsibilities

A joint Strategic Steering Committee of the programme will be formed, composed of all partners under this action, any potential contributing donors and relevant government counterparts. The Strategic Steering Committee will meet at least annually to review work plans, implementation progress, coordinate the different components, foster policy dialogue, help facilitate programme implementation and provide a forum to exchange lessons learned. It will also help co-ordinate between other institutions and actors (private business, civil society representatives, NGOs, donors). The specific governance mechanisms of the separate components of this action will be further defined in the contracting process.

The EU will remain fully engaged throughout the implementation process, in the policy dialogue, planning, monitoring, reporting, annual reviews and evaluation processes. Additional briefing sessions on analysis and data as well as research findings or policy dialogue issues will be arranged for government stakeholders and donor representatives.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

5. PERFORMANCE MEASUREMENT

5.1. Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its Outputs and contribution to the achievement of its Outcomes, and if possible at the time of reporting, contribution to the achievement of its Impacts, as measured by corresponding indicators, using as reference the logframe matrix.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring will be defined at contractual level.

5.2. Evaluation

Having regard to the nature of the action, mid-term and final evaluations will be carried out for this action or its components via independent consultants contracted by the Commission and via an implementing partner.

A mid-term evaluation will be carried out for learning purposes, in particular with respect to assessing issues of access to socio-economic opportunities which are likely to continue to shift as a result of both the evolution of the COVID-19 pandemic and the impact of the Ukraine war. The evaluation will also focus on creating synergies with the relevant actions of the bilateral AAP 2022 (see section 1.2) and help define scenarios for a second phase.

A final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that it is critical to document where and how the goal of joint economic development between refugees and hosts can be facilitated in the most effective and efficient way.

The Commission shall form a Reference Group (RG) composed by representatives from the main stakeholders at both EU and national (representatives from the government, from civil society organisations (private sector, NGOs, etc.), etc.) levels. If deemed necessary, other donors will be invited to join. The Commission shall inform the implementing partner at least 1 month in advance of the dates envisaged for the evaluation exercise and missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

The financing of the evaluation shall be covered by another measure constituting a financing Decision.

5.3. Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

All entities implementing EU-funded external actions have the contractual obligation to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. To that end they must comply with the instructions given in the [Communication and Visibility Requirements of 2018](#) (or any successor document).

This obligation will apply equally, regardless of whether the actions concerned are implemented by the Commission, the partner country, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU Member States. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and delegation agreements.

For the purpose of enhancing the visibility of the EU and its contribution to this action, the Commission may sign or enter into joint declarations or statements, as part of its prerogative of budget implementation and to safeguard the financial interests of the Union. Visibility and communication measures should also promote transparency and accountability on the use of funds. Effectiveness of communication activities on awareness about the action and its objectives as well as on EU funding of the action should be measured.

Implementing partners shall keep the Commission and the EU Delegation/Office fully informed of the planning and implementation of specific visibility and communication activities before the implementation. Implementing partners will ensure adequate visibility of EU financing and will report on visibility and communication actions as well as the results of the overall action to the relevant monitoring committees.