

Report

Environmental and Social Impacts of World Bank Funded Projects in Jordan

Assessment

Prepared by:

Phenix Center for Economic and Informatics Studies

April 2019

The report was produced in coordination with Bank Information Center

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The Phenix Center for Economic & Informatics Studies

Phenix Center is a non-governmental organization dedicated to independent policy research and measuring public opinions on impactful current and emerging issues in areas of economics, society, and its legislative environment in Jordan. The Center was founded in Amman, Jordan in 2003 under the registration number 142203. It works to promote a sustainable developmental paradigm in Jordan, rooted in human rights and the principles of democratic governance by focusing on reforming the labor policies, lifting of restrictions on freedom of association, and strengthening of social protection policies. The Center specializes in promoting inclusivity in development processes. It compiles databases of relevant actors and stakeholders, develops research, studies, papers and reports, conducts conferences and advocacy campaigns, and empowers several actors to take part in steering development through capacity building.

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Introduction

As an international financial institution, the World Bank's stated mission is to help fight poverty and promote economic growth and sustained development across the world, with particular emphasis placed on developing and transitional nations. To this effect, the organization provides financial support and technical assistance in the context of development projects.

Since its establishment in 1944, the World Bank has financed more than 18,505 development projects worldwide. Of these, 31% were in Africa, 18% in Latin America and the Caribbean, 16% in East Asia and the Pacific, 14% in Europe and Central Asia, 12% in South Asia, and 8% in the Middle East and North Africa (MENA). Of all the assistance the World Bank has provided to MENA countries, Jordan received approximately 9% - coming in fifth behind Morocco, Yemen, Tunisia, and Egypt - which translates into roughly 1% of all assistance provided worldwide by the World Bank since the organization's inception.

As an independent non-governmental organizations, it is the Phenix Center's and the Bank Information Center's duty and prerogative to assess the effectiveness of the approaches and initiatives of IFIs and other partners - both domestic and international - in the promotion of sustainable development in Jordan, and provide recommendations on how to boost the value and positive impact of such partnerships.

This paper aims to assess impact of World Bank-funded projects in Jordan with regards to their environmental and social impacts, as well as impacts particularly in the context of the refugee crisis. To this end, a selection of projects funded with a contribution from the World Bank in Jordan has been made, including both completed projects and projects still under implementation during the period 2008-2022; the selection includes a range of projects across sectors such as energy, water, education, agriculture and tourism, and located in various regions of the Kingdom. Some of the projects are financed in part by a fund, the Global Concessional Financing Facility, which specifically aims to support Lebanon and Jordan in their role as refugee host communities.

In order to provide a better understanding of the impact of the projects, the paper will provide an overview of the social, political, economic, and financial environment in Jordan, as well as the country's historical and economic rapport with the World Bank, and the impact of this international financial institution's projects on the country's development, taking into account the most recent statistical data and the principles enshrined in the relevant declarations, treaties, and agreements.

Specifically, this study assess World Bank-funded projects framed around major impact themes roughly corresponding to those standards of the World Bank's own Environmental and Social Framework¹ that are

¹ World Bank, Environmental and Social Framework, Revised Edition 2017.

relevant to the selected projects. Particular attention will be given to the involvement of local communities and promotion of ownership as well as the context of the refugee crisis. Lastly, a list of proposals will be presented, notably concerning how the implementation of current and future World Bank funded projects may be improved to ensure sustainable development of Jordanian society and economy while avoiding detrimental impacts.

To reach its proposed objectives, as detailed above, the team responsible for conducting this study has employed a mixed methodology, including the following qualitative and quantitative research elements:

- 1- Desk review: The team reviewed numerous studies and reports either directly or indirectly concerned with the objects of the study. These included studies, reports and documents issued by the World Bank, the relevant authorities and executive parties.
- 2- Site visits: The study team visited various project sites, assessing visible impacts of the project as well as interviewing community representatives and project managers.
- 3- In-depth interviews: Several in-depth interviews were conducted with stakeholders, both implementing parties as well as parties representing those affected by the project activities.

To assess the impact of World Bank-funded

projects in Jordan and the success of the implementing parties in mitigating these impacts, the projects are assessed against some thematic areas roughly corresponding to the World Bank environmental and social standards²

These include the assessment and management of environmental and social risks and impacts, labor and working conditions, resource efficiency and pollution prevention and management, community health and safety, land acquisition and involuntary resettlement, biodiversity conservation and sustainable management of living natural resources, protection of indigenous ethnic minorities, conservation of cultural heritage, financial intermediaries, and stakeholder participation and information disclosure. Particular attention will be given to the involvement of local communities and promotion of ownership.

1- Brief overview of Jordan's economy

Today, Jordan faces a broad range of political, economic and social challenges, due to both endogenous and exogenous factors. These challenges include high unemployment and poverty rates, slow economic growth, and a deterioration of livelihoods in the country, largely owed to the strategies implemented by successive governments in attempts to reduce the country's and public deficit and debt levels. These have been exacerbated by exogenous factors, beyond the State's control, beginning with the Israeli occupation of Palestine and

² The Environmental and Social Framework was recently revised (October 2018) and as such not all projects reviewed were obliged to adhere to these standards, as they were implemented in the period before the Framework was published.

its impact on both national and international policy at the regional scale, followed by the series of events triggered by the Iraqi invasion of Kuwait, culminating in the US occupation of Iraq, and bringing about the emergence of countless violent, radical extremist groups, and finally, over the past seven years, the multifaction war in Syria.

At the national level, the social and economic policies adopted in Jordan over the years – often implemented in response to the above exogenous shocks – have left the country increasingly dependent on international aid, particularly the form of grants, soft loans, in-kind aid and technical assistance – to the extent that 10-15% of the State's total budget expenditure is now covered by foreign aid³.

Furthermore, the policies pursued have also led to the weakening of political and legislative institutions, progressively reducing the role of civil society organizations in public policy discussions. On the contrary, Jordan has witnessed a concentration of power and influence in the hands of the Government, at the expense of the remaining political and social actors and institutions, with the former now having the final say on various legal issues and others, notably concerning economic policy. Lastly, the policies implemented have been followed by a weakening of the rule of law and a decline in transparency and accountability.

In short, due to both endogenous and

exogenous factors, over the past three decades Jordan has had to contend with a series of crises and chronic social, political and economic imbalances which mirror the country's own atrophied economy and unsustainable public financing mechanisms. Yet, throughout the years, decision makers have responded to these challenges by capitalizing on the country's geostrategic importance and its partners' interest in keeping relatively stable, in order to procure ever-greater grants and loans.

However, in spite a steadily increasing inflow of foreign financial aid into the country over the years, Jordan has failed to achieve sustained economic growth, which is but one sign that the country has failed to establish a self-sustaining national economy capable of eventually surviving without requiring financial aid. On the contrary, Jordan has become increasingly dependent upon its partners, as well as upon international financial institutions such as the IMF.

The country's economic predicament, in addition to social tensions and inequality, have exacerbated the effects of the most harmful national policies implemented by successive governments. Income tax revenues continue to account for only a small percentage of GDP, accounting for less than 4.0% of GDP in 2017⁴. Tax evasion levels remain particularly high, while indirect taxation (general sales tax, special taxes and miscellaneous fees) has continued to increase, accounting for 75% of

³ Ministry of Finance, Monthly Reports (2013-2018)

⁴ Ministry of Finance, Monthly Report, May 2018

tax revenues in 2017⁵, further deepening social inequalities, widening the rift between the poor and the middle-class.

All these challenges have been exacerbated by the regional unrest, the decline in the revenues of most economic sectors due to trade declining, and the influx of 1.27 million Syrian refugees by 2015, making up 13% of the total population of the Kingdom⁶. The process of integrating the refugees in the Jordanian society has had large demands on the public budget and has brought additional pressure on the housing and labor markets, social and cultural cohesion, and social and physical infrastructure. Currently, Jordan's growth outlook is strained by the precarious regional situation, the current account deficit, and a lack of fiscal space. Jordan's major challenge remains to reinvigorate its economy in the context of a poor external environment; continued regional uncertainty or reduced external assistance will continue to place Jordan's social, economic and financial stability at risk⁷.

2- The World Bank in Jordan

Since 1962, Jordan has designed and implemented 132 development projects in cooperation with the World Bank, totalling an estimated value of 5,990,000.35 million US\$. In total, 106 such programmes were successfully completed, 9 were cancelled, and 17 are still undergoing implementation. The World Bank's active portfolio in Jordan covers

a number of key sectors, including education, health, environment, social protection, youth, access to finance, job creation and boosting the business environment.

As outlined in their Country Partnership Framework (CPF) for the period 2017-2022⁸, the World Bank adopts a two-pronged approach aimed at simultaneously addressing Jordan's immediate needs in view of the fluid and worsening regional situation while keeping a medium and long-term development commitment built on reforming the economy to create the right environment for inclusive, job-creating growth. The overarching objective of the CPF is to help Jordan renew its social contract and promote economic and social inclusion. The CPF promotes an ambitious agenda for growth, jobs and inclusion while helping Jordan address the impact of the Syrian crisis, including through innovative financing tools.

The first pillar of the CPF aims to foster the conditions for stronger private-sector-led growth and better employment opportunities for all. The second pillar of the CPF aims to improve the quality and equity of service delivery, including through private sector solutions. The CPF aligns with the Government's vision Jordan 2025, the Executive Development Plan 2016-2018 (EDP), and the Sustainable Development Goals (SDGs). The Government's overall vision for the next 10 years is to place Jordan on a more sustainable growth path with stronger job creation, better service delivery,

⁵ Ibid

⁶ Third International Conference: Refugees in the Middle East, The International Community: Opportunities and Challenges - edited by Fawwaz Ayoub Momani and Mohamed Fouad Hawamdeh. Irbid: Yarmouk University, 2018.

⁷ World Bank. Jordan's Economic Outlook – October 2018

⁸ World Bank, Jordan - Country partnership framework for the period FY17-22, 2016

a more conducive investment climate, and a larger involvement of citizens in the decision making process. The CPF is aligned with this overall vision and the Government's EDP. The CPF will implement the new Middle East and North Africa (MENA) Strategy and the recently adopted SDGs will also help guide the World Bank's engagement in Jordan, as the Government seeks to mainstream the SDGs into its existing plans towards an integrated planning framework for Jordan.

Recently, the World Bank committed another 1.9 billion USD\$ in financial support to Jordan over the course of 2019 and 2020⁹, an amount nearly equal to what the bank has provided over the last five years, citing its commitment to the Kingdom and the "strong" reform momentum in the country.

The World Bank has created specific instruments in efforts to respond to the Syrian refugee crisis and support Jordan in its role as a host community. One of these instruments is the Global Concessional Financing Facility, the inception of which took place in 2015, which provides development support on concessional

terms to middle-income countries impacted by refugee crises across the world – in particular Jordan, Lebanon and recently Colombia.

3- Brief overview of World Bank-funded projects in Jordan

Of the 132 development projects implemented by Jordan in cooperation with the World Bank since 1962, 106 were successfully completed, 9 were cancelled, and 17 are still undergoing implementation. The World Bank classifies projects based on their environmental impact, ranging from (A) significant adverse impacts to (C) no adverse environmental impacts. Category F1 indicates a project that provides funds to a bank or credit institution for on-lending at FI's own risk – subprojects are still categorised as A, B, or C. It's worth pointing out that, among the projects that were cancelled, 56% fall in category A, classified as significant, unforeseen, detrimental negative environmental impact. The following table shows the environmental classification of the total projects financed by the World Bank in Jordan.

Project status	Environmental classification of projects funded by the World Bank									
	A		B		C		F1		Not Indicated	
	Number	%	Number	%	Number	%	Number	%	Number	%
Completed	5	5%	18	17%	32	30%	0	0%	51	48%
Current	0	0%	6	35%	7	41%	3	18%	1	6%
Cancelled	5	56%	2	22%	2	22%	0	0%	0	0%

In regard to their areas of focus, most World Bank projects in Jordan have been targeted at improving infrastructure, especially in the water and energy sectors. Of the remaining projects, 8% targeted the improvement of education services at all levels (primary, preparatory, secondary, and tertiary), 7% concerned the development of market and regulatory policies in several sectors (though with an emphasis on energy), mostly targeted at fostering competitiveness. In the business dimension, 6-7% of World Bank projects in Jordan targeted micro, small and medium enterprises (MSMEs), 6% concerned pollution

management, and the remaining were geared to the development of domestic exports, public finance and budget management, and others. As for the 17 ongoing World Bank-funded projects in Jordan for the 2013-2023 period, these target MSMEs, infrastructure, employment, environment, health care, education, the justice system, public spending and financial management.

The following table gives an overview of the projects selected for this brief assessment, including both completed and still active projects.

No	Project Name	Status	Approval Date / Closing Date	Total Project Cost / Committed by World Bank (in 000,000 US\$)
1	Second Programmatic Energy and Water Sector Reforms DPL	Closed	December 2016 – December 2017	250 / 225
2	Promotion of a Wind Power Market	Closed	June 2008 – June 2015	141.9 / 0.0
3	Municipal Services and Social Resilience Project	Active	December 2017 – N/A	30.0 / 0.0
4	Badia Ecosystem and Livelihoods Project	Closed	November 2012 – June 2017	14.68 / 0.0

1. The Second Programmatic Energy and Water Sector Reforms (DPL) is to support refugee and host communities through improving the energy and water sectors in Jordan. The policy program supported by the DPL will be structured around two pillars: (i) improving the financial viability of the electricity and water sectors, and (ii) increasing efficiency gains in the energy and water sectors.

2. The Promotion of a Wind Power Market project was carried out during the period 2008-2015 in the Al Fajaj region within the Shubak Brigade of Ma'an Governorate in southern Jordan. Its objective was to increase power supplied from renewable energy sources in a sustainable manner through the private sector and the encouragement of investment to support wind energy projects in Jordan

through granting incentives and benefits to investors. In addition, a capacity building component, including trainings and workshop on the importance of renewable energy sources, as well as building the capacity of the engineers and technicians in the sector.

3. The Municipal Services and Social Resilience Project helped 16 municipalities respond to the increased demand for services and employment opportunities due to the large influx of Syrian refugees. The project funded goods, works and basic services amounting to US\$40 million, reaching more than 2,000,000 Jordanians and close to 250,000 Syrian refugees of which at least 45% were women.

4. The objective of the Badia Ecosystem and Livelihood Project for Jordan is to support sustainable livelihoods and enhance ecosystem services through participatory approaches in selected areas of the Jordan Badia. The aim is to create opportunities for the livestock breeders of the Badia and make them more resilient to climate change and water scarcity. The project has three components: (1) Community-centered ecotourism in the Northern Badia, (2) Adaptive rangeland management and alternative livelihoods support in the Southern Badia, and (3) Project management and monitoring and evaluation.

4- Assessment of selected World Bank-funded projects

The impact of World Bank-funded projects

in Jordan is assessed against environmental and social standards as mentioned in the introduction.

Environmental Impacts

As most projects need environmental studies such as Environmental and Social Impact Assessment (ESIA) before implementation, this aspect is usually well covered by the different projects. Especially pollution prevention and management during the project implementation phase is usually very well mapped as part of the ESIA; for example, under the Municipal Services and Social Resilience Project, the impact of the construction and rehabilitation activities on noise and dust levels, air quality, and solid waste generation was mapped.

Even in these cases of environmental due diligence, there are examples of bad practices. For example in the Promotion of a Wind Power Market project, the project was suspended for two years due to the protection of migratory birds during the autumn season. After this, the project site was replaced with state-owned lands, as compensation to the foreign executing company for the changing of the site due to the birds issue. This signifies failure of the authorities to study the feasibility of the implementation of the project in the selected area before the start of implementation. The lessons learned from the project include that a full-scale ESIA should be part of the project if the wind project is the first of its kind in the

country, as the significance of any anticipated impact depends on local conditions and is difficult to anticipate in the absence of comparable projects in the same country or region¹⁰.

Resource efficiency

Most of the projects assessed aim at improving resource efficiency as one of their goals. At the peak of the influx of Syrian refugees, in 2012-13, consumption of energy and water increased dramatically (some reports suggest a 40 percent jump in northern areas, closest to the Syrian border)¹¹. The Second Programmatic Energy and Water Sector Reforms aimed at, among others, mitigating these increased pressures through reducing the use of (non-renewable) groundwater and replacing it with other non-conventional sources as well as raising energy and water tariffs to promote conservation. In addition, currently the share of renewable energy in Jordan's energy market is very small, at only 6%, divided equally between wind and solar. Within the energy sector strategy for the period 2015-2025, Jordan hopes to increase the contribution of renewable energy sources to 8% wind and 7% solar energy by the year 2025¹². The Promotion of a Wind Power Market Project fits in this ambition, increasing the share of renewable energy on Jordan's electricity mix. The target of at least 70MW of new generation capacity was surpassed and almost doubled at the time of the project closure in March 2016, reaching 118MW¹³.

Biodiversity conservation

The selected projects did not have adverse environmental impacts on natural habitats or the biodiversity of their sites. In the case of the Promotion of a Wind Power Market Project, the project was established on desert dry land¹⁴. The site was chosen according to wind power potential. In the case of the Badia Ecosystem Livelihoods Project, problems were encountered during the implementation of the project. These included the land being unfit for cultivation in some areas, the lack of rainfall, as well as being forced by administrative decision to open all the pastoral reserves for livestock grazing in the Husseinia Brigade to the Hashemite Protectorate, one of the pastoral reserves established by the project, despite the attempt to convince them that the reserve had not yet sprouted; resulting in overgrazing and closing of the reserve for a whole year.

However, the project also contributed to the conservation of biodiversity in the southern Badia due to the establishment of pastoral reserves, resulting in the emergence of plants that did not exist previously and were almost extinct in those areas, and contributed to the improvement of vegetation cover.

Social Impacts

As mentioned, most projects implemented include an Environmental and Social Impact Assessment (ESIA). However, the environmental scope is usually better covered, while the social risks and impacts can be undervalued.

10 World Bank (2016) Implementation Completion and Results Report - Promotion of a Wind Power Market Project.

11 Ecorys (2017). Ex-post Evaluation of Macro-Financial Assistance to Jordan.

12 Ministry of Energy and Mineral Resources, Energy Sector Strategy 2015-2025, Amman, Jordan.

13 Independent Evaluation Group (2016). Jordan CLR Review FY12-FY15.

14 Interview with Eng. Mowaffaq Hamidat, Director of Electrical System Department, National Electricity Company, 14/11/2018

Labor and working conditions

In the case of the Promotion of a Wind Power Market, the project was executed by a foreign (Korean) company, and most of the workers and the materials used were imported¹⁵. Using migrant workers poses extra risks for maintaining worker's rights as they might not be familiar with local rights and regulations.

Due to the refugee crisis, the competition on the labor market has increased significantly. Lowerskilled Jordanians are likely to experience competition with the ever increasing number of refugees. The emergence of a large informal sector is a particularly pressing issue, calling into question the achievements in strengthening the social safety net¹⁶. In this context, one of the aims of the Municipal Services and Social Resilience Project was to generate employment opportunities for both refugees and Jordanians, by encouraging municipalities to use labor intensive techniques for public works, and motivating them to provide innovative projects that are funded according to specific criteria, thus contributing to reducing unemployment rates or reducing their growth.

However, there have been issues related to worker's rights within this project. The workers of the host municipalities in the northern region face difficult working conditions, including low wages and very low salary increases. A major issue is the lack of adequate occupational health and safety conditions for laborers with

high risk jobs, such as cleaners, waste car drivers, pesticide sprayers and pipe extension workers; their exposure to unsafe environments as well as not being supplied with personal protective equipment (PPE) or with PPE of poor quality that is inadequate for the size and nature of the work they do. In addition, they are not provided with the vaccinations necessary to protect them from diseases that they may be exposed to, nor are they trained in occupational health and safety, according to the testimony of some workers¹⁷, despite the confirmation of the project coordinator, Mr. Imad Issa, that awareness sessions were conducted¹⁸.

These occupational hazards are exacerbated by challenges in communicating their grievances and improving their working conditions, especially in their sense that the General Union of Municipal Workers does not represent their demands and the Ministry of Municipal Affairs is not cooperating in the required manner. This has led to a series of strikes and sit-ins in recent years, the latest of which was in October 2018.

Community protection

Apart from issues with labor conditions mentioned above, wider community health and safety is usually taken into consideration in the projects. For example in the Municipal Services and Social Resilience Project, health and safety awareness and training sessions were conducted for all employees of all 26 host municipalities. In addition, a complaints

¹⁵ Interview with Eng. Mowaffaq Hamidat, Director of Electrical System Department, National Electricity Company, 14/11/2018

¹⁶ Ecorys (2017). Ex-post Evaluation of Macro-Financial Assistance to Jordan.

¹⁷ Jordan Labor Observatory, Working Conditions of Municipal Workers in the Northern Region of Jordan, 2017.

¹⁸ Interview with Mr. Imad Issa, Advisor and Coordinator for the Municipal Services and Social Resilience Project at the Jordanian Ministry of Municipal Affairs (MoMA), 7/11/2018

system was made available to the community, which is managed by a neutral institution.

The project implementation itself can have negative effects on public health and safety due to the structural movements and open excavations (for example, dust issues). Overall, after construction is finalized, most projects result in either no change or improved health and safety conditions, for example due to improved municipal services (water, sanitation, waste, roads and lighting, inspection of food and other basic services).

Effective gender mainstreaming was visible in the Municipal Services and Social Resilience Project and its predecessors, where of the 2,000,000 Jordanians and close to 250,000 Syrian refugees reached, of which at least 45% were women.

Most projects did not directly affect any indigenous ethnic minorities specifically. In the case of the Promotion of a Wind Power Market Project however, the project faced major challenges related to local tribal patterns. For example, when a terminal was established and a worker of one clan was appointed in an administrative function, the project and its workers were subjected to armed siege by another clan for three days, as they believed that they were more deserving of the appointment¹⁹. This points to issues with the pre-assessment of local culture in the project preparation phase.

In addition, none of the projects included land acquisition or involuntary resettlement issues. They all aimed to utilize existing State-owned land. For example, for the Municipal Services and Social Resilience Project, a Resettlement Policy Framework had been prepared in case non-State-owned land would have to be acquired²⁰, but there was no need to run this policy²¹. Similarly, in the case of the Promotion of a Wind Power Market Project, the resettlement policy was not activated for the project, and no private land acquisition took place. Likewise, in the Badia Ecosystem Livelihoods Project, the land on which pastoral reserves were established is owned by the state and registered as pastoral land²².

The projects assessed did not have any significant negative impact on cultural heritage. In the case of the Badia Ecosystem Livelihoods Project, there was in fact a marked positive effect on conservation of cultural heritage, due to the project supporting developments fitting with traditional livelihoods of the Northern Badia, for example the creation of sewing and kitchen production and dairy operator support for women producers in particular and linking them with related business owners. Before the implementation of the Badia Ecosystem and Livelihood Project, a World Bank survey found that families in the area mostly made their livelihood from herding, which was waning in productivity due to significant land degradation affected by climate change. While men still held onto this traditional occupation, young people were showing little

19 Interview with Eng. Mowaffaq Hamidat, Director of Electrical System Department, National Electricity Company, 14/11/2018

20 Municipal Services and Social Resilience Project, Resettlement Policy Framework (RPF), March 2017

21 Interview with Mr. Imad Issa, Advisor and Coordinator for the Municipal Services and Social Resilience Project at the Jordanian Ministry of Municipal Affairs (MoMA), 7/11/2018

22 Interview with Majid Al-Basal, Director of Water and Soil Research Directorate, National Agricultural Research Center (NARC), Ministry of Agriculture, 8/11/2018

interest in this livelihood²³. The project has so far supported 3,568 people through training and capital funding.

Stakeholder participation and ownership

While the various implementing agencies of the World Bank-funded projects emphasized the participation and consultation of local communities in the activities and components of the projects, they faced many challenges that threatened the successful implementation of these projects, in the shape of environmental, social, economic and demographic factors. Indeed, the aspect where most projects struggled was the inclusion of the local community and stakeholders.

For example, the Promotion of a Wind Power Market Project included a capacity building component including raising awareness to the importance of renewable energy sources through workshops, training courses, etc. However, the project failed to acknowledge local clan relations as discussed earlier. In the same context, citizens in the province of Tafileh expressed their dissatisfaction with the startup of the project without consultation of the population of the province. This reflects the failure of the implementing agencies in the adequate identification and participation of stakeholders affected by the project.

The project coordinator of the Municipal Services and Social Resilience Project (MSSRP)

indicated the main challenge in Jordan is the limited experience among municipal staff on how to develop and implement local development plans.

Normally they do not involve any stakeholders. The majority of municipalities host a large number of Syrian refugees, and the refugees as well as all other sectors of the society have to be considered, especially women and youth²⁴.

In the project preparation phase, a one-day public consultation was carried out by the Ministry of Municipal Affairs to inform stakeholders of the project's launch and to ensure adequate information was made available to the communities regarding the specifics of the project including the types of activities expected to be financed.

Over 170 persons from beneficiary communities participated in the consultations sessions including mayors, municipal council members, women, youth, private sector and Syrian refugees.

The communities appreciated the opportunity to present their feedback on the project as well as lessons learned from earlier projects. Syrian refugees invited to the workshop were also given equal opportunity to present their views on the project and their relationship with the municipalities in their localities. In subsequent years, consultations will continue to be held with communities to inform them of the Project's activities and to identify priority investments to be financed under the MSSRP²⁵.

²³ World Bank (2019) Investing in Jordan's Bedouin Women Empowers Their Communities

²⁴ CMI Marseille (2018) Municipalities Exchange Knowledge on Hosting Refugees

²⁵ Hashemite Kingdom of Jordan (2017). Municipal Services and Social Resilience Project – Environmental and Social Management Framework.

In the Badia Ecosystem Livelihoods Project, the project areas were chosen in consultation with the local community.

However, some sub-activities of the project (the establishment of an eco-tourism corridor) were chosen by the Royal Society for the Conservation of Nature, Syria and Iraq.

During project implementation it followed these areas suffer from lack of infrastructure, specifically that the area is almost uninhabited and roads are in disrepair²⁶.

The corridor to date has not been operational according to the implementing agency due to the difficult climate in the northern Badia, which is very hot in the summer and very cold in winter, resulting in a very short season in spring which is attractive to tourism²⁷.

In addition, unlike the population in the southern desert which surrounds popular tourist destinations such as Petra and Aqaba, the population in the Northern Badia is not accustomed to foreigners and tourists, which indicates a serious lack in stakeholder consultation.

The project director indicated they had been in contact with the concerned authorities, however 'sometimes the World Bank sets a specific program that must be applied'²⁸, indicating an issue with implementing projects regardless of local circumstances and overruling local consultations. Lessons learned

include the importance of allocating resources for maintaining a respectful presence in communities that are hesitant/reluctant to slowly build their confidence and achieve project results²⁹.

With regards to the Second Programmatic Energy and Water Sector Reforms, stakeholder risk was substantial, as the policy actions were made up of those actions aimed to improve the financial viability of the sector through increases in the electricity and water tariffs that will increase the cost of the service for consumers.

The Government has however been able to mitigate these risks on the poor and vulnerable by limiting price increases to household consumption above 600 KWh. The strong ownership of the reforms ensured that the program was followed through – even when challenged.

Though there were some public protests against the broader reform process (targeted at the introduction of income tax rises in the summer of 2017) the Government displayed an unwavering commitment to monthly tariff increases, driven by the conviction that the short-term pain was in the public interest as it avoided jeopardizing Jordan's fiscal stability as well as its energy and water security³⁰. However, the project evaluation identified a need for an energy sector investment plan with a clear list of prioritized and sequenced projects that is agreed by stakeholders, as well

²⁶ Interview with Nashat Humaidan, Director of the Department of Studies and Research, Royal Society for the Protection of Nature, 19/11/2018

²⁷ Ibid.

²⁸ Ibid.

²⁹ World Bank (2017). Implementation Completion and Results Report – Badia Ecosystem and Livelihoods

³⁰ World Bank (2018). Implementation Completion and Results Report – First and Second Programmatic Energy and Water Sector Reforms Development Policy Loans.

as a need in the both the energy and water sectors to strengthen communication with consumers particularly on the impact of global energy prices service delivery³¹.

5- Key Findings

- From the analyzed projects, it is clear that consultations with local community are of an insufficient standard. It seems these are executed to fulfill project requirements rather than consultation outcomes being considered and implemented in the project. These result in key failings such as in the Northern Badia project where an unsuitable location was chosen as well as no local ownership of the project or tourism development. The Municipal Services and Social Resilience Project showed a better track record on this aspect with explicit involvement of Syrian refugees in the consultation with local communities, as well as recording feedback and lessons learned from previous projects.
- The World Bank Safeguard Policies do not call for using international labor law standards and do not include a policy requirement on labor and working conditions for project laborers. While the new World Bank Environmental and Social Framework will include labor and working conditions requirements, it still does not call for using international labor law standards during project implementation. Many administrations in Jordan employ local laws, which are restrictive. ESS2 on Labor and Working Conditions states as objective 'To support the principles of freedom of association and collective bargaining of project workers in a manner consistent with national law'.
- Environmental assessments are executed in each project but seemingly not enough consideration is given to its outcomes, as seen in the Promotion of a Wind Power Market project, where the project site had to be changed after a two year delay due to migratory birds.
 - The disclosure of information needs improvement. Some efforts have been reported on this front in the interviews, but is currently covered by Jordanian law, which is restrictive. The right to access to information law in Jordan includes some restrictions on obtaining some information, as well as the difficulty of procedures that can be used to obtain some information. In addition, many projects financed by the World Bank are managed by official authorities, these authorities do not cooperate in the disclosure of some information.

Recommendations

In line with the Government's vision to place Jordan on a more sustainable growth path with stronger job creation, better service delivery, a more conducive investment

31 Ibid.

climate, and a larger involvement of citizens in the decision making process, the following recommendations can be made with regards to the implementation of World Bank funded projects in Jordan.

- Ensure that as projects begin to apply the new Environmental and Social Framework, that they do not treat the Environmental and Social Standards as an afterthought but are used to raise the standards of World Bank project to meet international law.
 - Develop standards for consultations with local communities, based on best practices from around the world and including relevant safeguarding policies, to ensure inclusion of consultation outcomes in the project implementation and to promote ownership. These consultations need to be done in alignment with local standards and needs. These standards are to ensure consultations are actioned upon if necessary, avoiding project failure due to no local uptake and ownership.
 - As part of the above, inclusion of both Syrian refugees and host communities should be explicitly included in the consultations.
 - Devise consultative processes in policymaking and institutionalization, so that the attitudes of a few senior government officials do not obviate the conduct of dialogue on certain policies. To this effect, it is important to empower local authorities
- and the committee for decentralization to more effectively promote the protection of workers' rights, in cooperation with both recognized and independent trade unions whenever possible.
- Improve labor law standards to international level. Follow best practices set by the European Bank for Reconstruction and Development (EBRD) and European Investment Bank (EIB). This should be based on the relevant international labor standards guaranteeing the freedom of trade union organization.
 - Provide training and capacity-building programs regarding workers' rights and decent work conditions.

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