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COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

THIRD COUNTRY PROGRAMME FOR
JORDAN

UNDP assistance requested by the Government of Jordan
for the period 1982-1986

Illustrative IPF for 1982-1986: \$15.0 million

INTRODUCTION

1. The third country programme for Jordan (1982-1986), which has been prepared by the Government in consultation with the UNDP field office, reflects the needs for technical assistance in support of the economic and social development objectives of the Second Five-Year Development Plan (1981-1985). The programming exercise was conducted over a twelve-month period following an assessment of all major activities implemented under the second country programme (1977-1981). A number of United Nations agencies undertook programming missions to determine technical assistance needs in the fields of agriculture, transport and communications, trade, and manpower development and to formulate specific proposals. A list of proposed projects was prepared and reviewed by the National Planning Council; the final selection of projects was made on the basis of Government priorities.
2. This country programme covers the period 1982-1986 and coincides with the Second Five-Year Development Plan for Jordan which commenced in 1981. The illustrative Indicative Planning Figure (IPF) for the third country programme has been maintained at the level of US\$ 15 million. As a result of the shrinking IPF resources in real terms due to infla-

Note: In accordance with decision 81/15, adopted by the Governing Council on 27 June 1981 (E/1981/61/Rev.1, Annex I), the third country programme for Jordan is being submitted to the Council without an accompanying note by the Administrator.

The previous country programmes for Jordan and the accompanying notes by the Administrator were issued under the document symbols DP/GC/JOR/R.1-DP/GC/JOR/R.2 and DP/GC/JOR/R.1/RECOMMENDATION-DP/GC/JOR/R.2/RECOMMENDATION, respectively.

tion and rising costs, the IPF resources earmarked for this programming period had to be planned in their entirety, leaving no financial provision for activities to be identified at a later stage.^{1/} A large portion of the IPF funds will be utilized to finance ongoing projects from the second country programme. The Government has expressed its readiness to enter into cost-sharing arrangements for a number of large-scale UNDP-assisted projects in order to maintain a viable programme of technical assistance in Jordan.

3. The dominant theme of this country programme is the promotion of self-reliance in Jordan through the development of human resources and the strengthening of national institutional and organizational capabilities.

UNDP technical co-operation envisaged in support of national development priorities

4. Over the last two decades, the Government has pursued economic and social policies designed to secure maximum economic growth through the launching of well-defined development plans. During the First Five-Year Plan (1976-1980), the Jordanian economy continued its rapid growth, but the real annual rate of growth in the gross domestic product (GDP) fell to an average of 8.5 per cent compared with the original target of 11.9 per cent.

5. The key aspect of the 1981-1985 development plan for Jordan is that a total of 3,300 million dinars (JD) (US\$ 98,500 million) at present prices will be invested in and shared by the public and private sectors with an expected annual growth rate in GDP of 11.0 per cent for the economy as a whole over the five-year period. The main objectives of the new development plan are:

(a) To realize high growth rates in the gross national product (GNP) in real terms at an average of 11 per cent annually;

(b) To continue to change the structure of the national economy in favour of the commodity producing sectors by raising their relative share in GDP from 38.8 per cent in 1980 to 46.0 per cent in 1985. The rate of annual increase in commodity sectors will be 14.9 per cent, with the services sector growing at 8.4 per cent annually;

(c) To increase domestic revenues of the national budget. The ratio of domestic revenues to recurrent expenditures will increase from 70 per cent in 1980 to 100.4 per cent in 1985;

(d) To reduce the trade deficit from 51.9 to 40.7 per cent of GDP through such measures as the expansion and diversification of exports as well as increases in

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tourism and in the remittances of Jordanians working abroad. While imports of goods and services are to increase at 13.5 per cent annually, exports will increase at 17.8 per cent.

(e) To provide basic needs and narrow regional disparities through provision of industrial infrastructure and public services;

(f) To develop and improve the labour force qualitatively and quantitatively through such measures as an increase in social security and in the participation of women in development; and

(g) To participate in the Arab Development Decade. Joint ventures will be undertaken and unified development plans promoted for the development of manpower and science and technology.

6. The third country programme has been prepared by the Government with the aim of integrating UNDP technical assistance in specific areas within its own development context. Due to the limited UNDP resources available for the third country programme, the Government felt it desirable to concentrate on selected areas in which the United Nations system has demonstrated capability to deliver effective assistance and in which it has a comparative advantage on other bilateral and multilateral aid sources. The sectors of concentration and their share of financial resources available within the framework of this country programme are: agriculture (2.7%), human resources (46.23%), Government infrastructure (19.18%), natural resources (9.84%) and education (22.05%). UNDP assistance in these sectors will be geared towards fostering national self-reliance through the strengthening of the key institutions involved in economic and social development with a view to ensuring the more efficient management required for implementation of the national development plans.

A. Agriculture

7. Agriculture is one of the major productive sectors of the economy and its contribution to the GDP in 1980 amounted to JD. 60 million (US\$ 180 million). Despite the growth in agricultural production in recent years, domestic production has failed to keep pace with demand and, as a result, food importation for local consumption has been continuously increasing. The development strategy of the agricultural sector aims at increasing productivity to meet local needs for food and at reducing dependency on rainfed agriculture through the development and expansion of irrigated agriculture in Jordan. UNDP will assist in developing grazing lands for increased forage production and in improving livestock feed reserves.

B. Human resources

8. One of the major constraints to the implementation of the Second Five-Year Development Plan will be the availability of the skilled manpower needed to carry out the development activities and projects. The demand for professional and technical manpower is becoming more pressing due to the large-scale emigration of experienced and qualified Jordanians to neighbouring oil producing countries, where salaries are much higher. As a result, the Government is placing greater emphasis on the training of technical and administrative manpower to meet local demands and enhance technological self-reliance.

9. Over the past few years, the Government has embarked upon a programme of establishing and expanding training institutions in various technical and vocational disciplines. A large portion of IPF funds will be used in the third country programme to finance a number of major training projects in civil aviation, telecommunications and hotel management. In addition, considerable amounts will be utilized for the establishment of the Sahab Vocational Training Complex and a telecommunications institute within the Marka Polytechnic.

C. Government infrastructure

10. It is recognized that effective development activities require an adequate and efficient national infrastructure. The implementation of successive development plans in Jordan has revealed the need for organizational and institutional improvement to enable the various Government organizations to implement their development plans effectively. The strategy adopted by the Government to expand the productive sectors in basic goods (agriculture, industry and mining etc.) and the substantial investment in large-scale projects under the new development plan place greater demand on the Government for organizational improvement and institutional development.

11. Due to the diverse needs for infrastructure, the Government will utilize UNDP assistance in critical areas such as development planning and administrative and management systems so as to provide the necessary capabilities for the planning, monitoring and implementing of development programmes and projects.

12. UNDP assistance in this sector will be provided to major projects, including Strengthening of Development Planning Machinery (Phase II); Assistance to the Lands and Survey Department (Phase II); Assistance to the Ministry of Transport in the construction of the new international airport; Development of Meteorological Services; and Assistance to the Budget Department.

D. Natural resources

13. Jordan possesses a number of minerals, the technical and economic potentials of which have not yet been determined. These include iron ore, copper, cement and granite in the southern region, and phosphate in the Shaddieh region. Geological studies on prospective local raw materials continue to be carried out to determine exploitation possibilities in certain parts of the country. UNDP technical assistance will be provided under the third country programme to carry out a comprehensive geological survey to determine mineral resources potentials. Also in this sector will be projects in geothermal exploration and mineral resources exploration as well as assistance to establish a Centre for Geological Surveys in the use of remote sensing techniques.

E. Education

14. The education sector in Jordan has progressed significantly in recent years and the Government continues its efforts to diversify education and improve its quality. In the successive development plans for Jordan, strong emphasis has been placed on the

expansion of vocational education so as to bring enrolment in the various vocational and industrial schools up to 30 per cent of the country's total school enrollment. However, only 12.4 per cent of the original enrollment target has been achieved so far. The expansion of comprehensive secondary education has also been accorded priority by the Government in order to provide students with opportunities to receive vocational and trade training in addition to academic education. UNDP technical assistance will be provided to two major projects financed under World Bank credit agreements to Jordan.

15. Third Education Project (1980-1983). A total amount of \$1,556,100 will be provided by UNDP to finance the technical assistance component required for this on-going project which aims at:

(a) expanding vocational/technical training to meet the continuing shortage of skilled manpower in the commercial, industrial and construction sectors, and to improve the quality of agricultural secondary education;

(b) assisting in meeting the needs for technicians and teachers through the development of a new type of post-secondary training institution;

(c) improving the relevance and quality of basic and secondary education through the training of pre-vocational teachers and the expansion of the comprehensive secondary school system; and

(d) improving the capability for planning, research and management within the Ministry of Education.

16. Fourth Education Project. A credit agreement has been concluded with the World Bank to finance a Fourth Education Project for Jordan. The project aims at the construction and extension of a number of educational and training institutions with a view to improving the quality of basic secondary vocational education and expanding the comprehensive secondary school system. A total amount of US\$2 million will be provided by UNDP to cover the technical assistance component required for this project.

17. Other resources for technical co-operation have been made available to the Government from the specialized agencies and organizations of the United Nations and can be summarized as follows:

(a) The most significant source of technical co-operation financing for Jordan is the World Food Programme (WFP). Approximately US\$ 26.0 million has been committed (1977-1981) for projects in agricultural development and the promotion of nutrition in vulnerable groups. WFP assistance is expected to continue through 1986, but the level of financing for that period is yet to be determined;

(b) The United Nations Fund for Population Activities (UNFPA) is providing approximately US\$ 7.0 million (1980-1985) for family planning and population activities;

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(c) The Interim Fund for Science and Technology for Development provided US\$ 1,016,000 in 1981 to help strengthen building material research activities at the Royal Scientific Society; and

(d) Considerable financing is also provided to Jordan under regular programmes of the United Nations Children's Fund, the World Health Organization, the International Atomic Energy Agency, the Co-operative Programme of the Food and Agriculture Organization of the United Nations and the Special Industrial Services of the United Nations Industrial Development Organization.

18. The third country programme was formulated to: (a) maintain the relevance of UNDP inputs to specific needs arising from Government priorities and national development objectives; (b) retain flexibility to respond to new circumstances and needs through increased reliance on high-level short-term consultants instead of resident international experts; and (c) concentrate, to the fullest extent possible, on projects and activities that can best be implemented by the United Nations system.

19. UNDP resources in certain areas, particularly in the fields of education and agricultural development, will serve as catalyst for the commencement and/or continuation of larger programmes financed from national, bilateral and multilateral sources.

20. While Jordan is taking part in a number of UNDP-assisted regional activities, it is also the host country for the regional projects, Assistance to the Council of Arab Economic Unity (RAB/77/010) and Assistance to the Arab Organization of Administrative Sciences (RAB/79/031).

Annex
FINANCIAL SUMMARY

A.	<u>Resources</u>		\$	
	(a) IPF and other resources			
	(i) Illustrative IPF for programme period	15 000 000		
	(ii) Carry-over from previous IPF cycle	-		
	(iii) Other resources (Government cost-sharing)	1 250 000		
	(b) Provision for adequate programming	-		
	TOTAL	16 250 000		
B.	<u>Use of resources</u>			
	(a) Programmed			
	(i) On-going projects	3 197 000		
	(ii) New projects and new phases included in the country programme	12 041 000		
	(iii) Earmarked for specific objectives and activities for which projects are to be worked out (continuous programming at a later stage)	-		
	Subtotal	15 238 000	^{a/}	
	(b) Reserve	1 012 000		
	(c) Unprogrammed balance	-		
	TOTAL	16 250 000		
C.	<u>Financial distribution of programme, by sector</u>			
	<u>Sector</u> ^{b/}	<u>On-going projects</u>	<u>New projects</u>	<u>Total</u>
		\$	\$	\$
02	General development issues, policy and planning	972 000	1 950 000	2 922 000
03	Natural resources	-	1 500 000	1 500 000
04	Agriculture	-	412 000	412 000
11	Education	1 240 000	2 120 000	3 360 000
12	Employment	985 000	6 059 000	7 044 000
		3 197 000	12 041 000	15 238 000

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^{b/} According to ACC classification.

