

Country Development Cooperation Policy for the Hashemite Kingdom of Jordan

September, 2023

1. Purpose of Development Cooperation

In terms of energy security, peace and stability in the Middle East region is extremely important for Japan. Jordan is a rare country that has maintained stability in the Middle East region, which has been suffering from the unstable situation. Beyond the context of the bilateral relations, Jordan is also important as a regional focal point for political and aid coordination as well as potential evacuation destination from neighboring countries, making it an important cornerstone of the region for stability. Furthermore, based on the recognition of its own geopolitical importance, Jordan has been actively working on the Middle East Peace Process, aiming to play a role as a regional hub, particularly in the energy and digital sectors.

Since the establishment of diplomatic relations in 1954, Japan and Jordan have been maintaining friendly bilateral relations through the historical ties between the imperial and royal families and active high-level-visit exchanges.

Since the outbreak of the Syrian crisis in March 2011, Jordan has accepted a large number of refugees from Syria and neighboring countries. As a result, Jordan has been suffering from the increased social and economic burdens. Despite the impact of the COVID-19 pandemic and global inflation, the Government of Jordan has been working on reforms under the Economic Modernization Vision announced in June 2022. However, to ensure steady progress in the reform, financial support is still required. There are concerns that the high unemployment rate could become a factor of destabilization in the society. Also, the smuggling of weapons and drugs with neighboring countries is increasingly becoming a serious issue. It remains important to strengthen border control, counter terrorism and security measures in Jordan.

Based on the above, it is very important that Japan continues development cooperation with Jordan to work together on political, social stability and economic development, to contribute to maintaining and strengthening its stability, as well as to continue and further develop the friendly bilateral relations. From the perspective of achieving Sustainable Development Goals (SDGs), it is also significant to support Jordan as it is leading efforts toward transitioning to a decarbonized society and a sustainable economic growth trajectory in the Middle East region while keeping pace with international financial institutions and Western countries.

2. Basic Policy of Japanese ODA: Enhancement of Stability and Development of Industrial Infrastructure for Economic Growth

Given that Jordan considers democratic reform necessary for its lasting stability and prosperity and is trying to conduct the reform, Japan will assist Jordan in maintaining its

stability as a moderate faction in the Middle East region and developing the industrial infrastructure for self-reliant economic development in accordance with Jordan's economic, political and administrative modernization visions and its response policy to the Syrian crisis.

It is important that the outcomes of this cooperation contribute not only to achieving the SDGs, but also to improving the lives of vulnerable people including refugees from the perspective of human security.

3. Priority Areas (Specific objective)

(1) Development of the Infrastructure for Sustainable Economic Growth

To achieve inclusive and sustainable economic growth, Japan will support the transformation of Jordan's industrial structure through the promotion of tourism and digital industries, expansion of employment opportunities especially for youth and women, and improvement of the working environment. Japan will also provide support for financial stabilization in order to establish a self-reliant foundation.

Given the population increase affected by the influx of refugees, Japan will support the development of sustainable urban infrastructure such as city planning and public transportation. In addition, Japan will support food security and responses to natural disasters as Jordan is vulnerable to the impact of climate change. Given the situation where Jordan is chronically short of water resources, Japan will provide support for stable and efficient water resource development, allocation and utilization. Furthermore, Japan will provide support for strengthening energy storage and grid operation functions, strengthening electric power exchange with neighboring countries and diversifying energy sources. Japan will also support appropriate responses to infectious disease risks in Jordan.

(2) Promotion of Domestic and Regional Stabilization

In order to resolve factors of destabilization in society, Japan will provide support for reducing poverty and minimizing social disparities through the empowerment of vulnerable people (people with disabilities, women, refugees, etc.) and cooperation in the fields of education and mental health and psychosocial support (MHPSS).

To contribute, not only to the political, social stability and economic development of Jordan but also to the stabilization through coexistence with the surrounding area, Japan will support the maintenance of public security in Jordan, the enhancement of border control, confidence-building with surrounding countries through regional cooperation, provision of social services which bear additional burdens due to the influx of refugees, and Jordan's role under "Corridor for Peace and Prosperity." Additionally, under the "Japan-Jordan Partnership Program (JJPP)" signed in 2004, Japan will continue to regard Jordan as a base for supporting the Middle East region through technical cooperation, and will implement Third Country Training Programs for neighboring countries.

4. Points to be Considered

For Jordan, Western countries are actively providing their support, and international organizations such as UNRWA and UNHCR, along with development financial institutions and NGOs are engaged in activities given the fact that Jordan has been accepting a large number of refugees. From the perspective of the strategic operation of Japan's ODA budget, Japan will continue taking into account the cooperation with those various stakeholders as well as more strategic project formulation by combining projects with different schemes and methods to achieve significant development impacts. Additionally, the Government of Jordan has been promoting the Public-Private Partnerships (PPP) and investments by foreign companies. Therefore Japan will also keep in mind collaboration with Japanese companies.

Annex: Rolling Plan

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