

Rolling Plan for the Hashemite Kingdom of Jordan

As of April 2025

Basic Policy of Assistance	Enhancement of Region Stability and Development of Industrial Infrastructure for Economic Growth
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Priority Area 1	Development of infrastructure for sustainable economic growth
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<p>[Current Situation and Challenges]</p> <p>In Jordan, the diversification of the industrial structure has not progressed sufficiently, and there remains a strong tendency to rely on remittances from overseas migrant workers and assistance from donor countries. As of 2025, the unemployment rate is high at 21.3%, and the lack of employment opportunities, particularly for young people under the age of 30, who account for approximately 63% of the population, as well as for women, has been a serious issue. In the "Economic Modernization Vision" announced by King Abdullah in June 2022, the goal is to promote sustainable and inclusive economic growth and create one million new jobs over the next ten years. In this context, the Jordanian government has high expectations for growth sectors such as the tourism industry, which is expected to generate valuable foreign currency earnings, and the digital industry, which has abundant human resources domestically.</p> <p>Due to sluggish growth in national revenue caused by the lack of mature industries, combined with increased fiscal expenditures to respond to the acceptance of a large number of Syrian refugees, the Jordanian government is burdened with a persistent and substantial fiscal deficit. By covering the shortfall through donor support and borrowing from the market, public debt is also increasing. Meanwhile, assistance from major donors, including the United States, has been decreasing year by year. In addition, some industries such as tourism, following the impact of COVID-19, are affected by the uncertain outlook of the global economy and regional conditions, making economic revitalization an urgent priority.</p>	<p>[Policy for Addressing Development Challenges]</p> <p>In order to achieve inclusive and sustainable economic growth, efforts will be made to promote sectors such as tourism and digital industries, while supporting structural transformation toward knowledge-intensive and export-oriented industries, as well as the creation of employment opportunities. Although the tourism industry temporarily declined due to the impact of COVID-19, it is expected to continue to play a role as a major industry in Jordan. Based on the results of cooperation accumulated thus far, continued support and cooperation will be promoted, taking into account perspectives such as strengthening tourism resilience, sustainable tourism development, and improving regional connectivity. The ICT sector contributes to improving efficiency and increasing effectiveness in other sectors, so collaboration with other projects will be actively considered. Furthermore, as urban areas are expected to play a central role in economic development, support will be provided for sustainable urban development and industrial promotion. In particular, in Aqaba, support has been provided for the formulation of a master plan (MP) incorporating the concept of a smart city as part of sustainable urban infrastructure development, and going forward, cooperation will continue based on this MP toward sustainable urban development and industrial growth in Aqaba. In addition, through the implementation of third-country training programs based in Jordan, the sharing of knowledge and technology with surrounding countries and regions will be promoted, contributing to the development of the region as a whole.</p>
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Japan's Assistance Program	Project	Scheme	Schedule						Assistance Amount (100 Million Yen)	SDGs	Note		
			Before JFY 2024	JFY 2025	JFY 2026	JFY 2027	JFY 2028	JFY 2029					
Development Issue 1-1  Development of Infrastructure for Inclusive and Sustainable Economic Growth   Program for Inclusive and Sustainable Industrial Promotion	Industry and Trade Promotion Advisor	EXP	■	■	■						8		
	Training of Trainers for Improving Technical Education in HV/EV	ICT	■	■								7, 4, 8, 13	
	The Project for Formulating Tourism Development Master Plan in Petra Region	TCDP	■							4.90	5, 8, 10, 12, 17		
	Data Collection Survey on Tourism Sector	DCS	■								8		
	Investment Promotion Advisor	EXP	■	■	■						8		
	JOCV for the Industrial Human Resource Development and Employment Expansion	JOCV		■	■	■					8, 11, 12		
	Data collection survey on Project NINJA for Women, Peace and Security (WPS) with Special Attention to the Refugee	TCP		■	■						5, 8, 9, 16, 17		
	Strengthening Capacity for PPP Fiscal Management	TR		■	■						8		
	Issue-based Training in Tourism and Economic Policy	TR	■	■	■						9		
	Sustainable Tourism Development (JFY 2024-2026)	TR	■	■	■						12, 17		
	The Project for Promotion of Artificial Intelligence Ecosystem	TCP	■	■	■						8, 9, 17		
	AI Use Cases in Japan	CTR	■	■	■						8, 9, 17		
	The Project for Updating ASEZ Master Plan	TCDP	■							2.28	11		
	Project for Strengthening Capacity for ASEZ Smart City	TCP			■	■	■	■	■	3.11	11		
	Issue-based Training in ICT and City Planning	TR	■	■	■						11		
	Project for Development of Continuously Operating Reference Stations for Proper Land Management	TCP		■	■	■	■	■	■	3.54	11		
	Economic and Social Development Programme	GA	■	■	■	■	■	■	■	7.50	11	Road Equipment	

<p>[Current Situation and Challenges]</p> <p>More than 90% of Jordan's land is classified as arid or semi-arid, with annual rainfall below 200 mm, and the annual water resources per capita are extremely limited at approximately 60 m<sup>3</sup>. Meanwhile, in addition to natural population growth, the large-scale influx of refugees from neighboring countries, including Syria, has led to a rapid increase in water demand due to population growth, exacerbating the strain on water resources. The development of new water resources and their effective and equitable use and distribution have become one of the most critical challenges. Furthermore, the uneven distribution of water resources requires a large amount of energy for water transmission conveyance and distribution. In addition, the high rate of non-revenue water has prevented the effective use of valuable water resources, adversely affecting the financial conditions of the three water utilities in the country.</p> <p>Jordan depends on imports for 97% of its primary energy, relying mainly on inexpensive natural gas imported via neighboring Egypt. However, due to intermittent disruptions in gas supply from Egypt in 2011, increased power generation costs, and electricity bills that were kept artificially low by policy, the financial condition of the National Electric Power Company (NEPCO) deteriorated significantly, resulting in accumulated debt. Subsequently, measures such as promoting the introduction of renewable energy, diversifying fuel procurement, resuming gas imports from Egypt (2019), and starting gas imports from Israel (2020) were implemented. While improvements have been observed in terms of energy security, NEPCO's accumulated debt has not yet been resolved. In addition, as the introduction of renewable energy has progressed, it now accounts for approximately 29% of the country's power generation capacity. However, the effective utilization of surplus electricity during daytime has not progressed, and the aging power grid has led to instability in power supply, which remains a challenge.</p> <p>In addition, the water sector accounts for 16% of domestic electricity consumption, and the Water Authority of Jordan (WAJ) is the largest customer of NEPCO. Currently, the "Amman-Aqaba Water Desalination and Conveyance Project (AAWDPC)" is under consideration, and electricity consumption is expected to increase further in the future.</p> <p>Based on these circumstances, it is necessary to strengthen the resilience of social infrastructure lifelines while taking into account measures against climate change and the water-energy nexus.</p>	<p>[Policy for Addressing Development Challenges]</p> <p>To support Jordan's sustainable governance, it is essential to enhance the resilience of lifeline infrastructure such as water resources and energy. In particular, amid growing concerns over the impacts of climate change and regional energy security, cooperation in these sectors is positioned as a strategic and urgent priority.</p> <p>In the water resources sector, efforts will be made to formulate water supply plans that respond to population growth accelerated by the influx of refugees, develop water resources, and improve facilities that enable sustainable and efficient use, as well as strengthen operation and maintenance, and water distribution management capacities. In addition, initiatives will be undertaken to transfer technologies aimed at reducing non-revenue water.</p> <p>In the energy sector, support will be provided for the introduction of energy storage technologies and the strengthening of grid operation functions to ensure a stable electricity supply, as well as energy-saving measures, strengthening energy interconnection with neighboring countries, diversification of energy sources, and demand-side measures utilizing electric vehicles (EVs). Furthermore, support will be given to improve NEPCO's financial condition by strengthening organizational and management capacities, including financing and financial management.</p> <p>In addition, the possibility of supporting efforts toward appropriate waste management will be examined.</p>
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			Before JFY 2024	JFY 2025	JFY 2026	JFY 2027	JFY 2028	JFY 2029				
Development Issue 1-2  Strengthening Lifelines  Program for Promotion of Green Transformation (GX)	The Project for Promotion of Zero Energy Building (ZEB) and Zero Energy House (ZEH)	TCP		■	■	■	■			2.55	7, 9, 13	
	Power Energy Sector Advisor for Regional Collaboration in Jordan, Iraq and Egypt	EXP	■	■	■					0.71	7	
	Issue-based Training in Electricity and Energy Sector and Adaptation of Climate Change	TR	■	■	■						7, 13	
	The Project for Strengthening Capacity of Power System Operation	GA	■	■	■					8.97	7	
	Data collection survey on Electricity Sector in Jordan	TCP		■	■					0.98	7	



