

INTRODUCTION

JORDAN HAS A POPULATION OF 5.7 MILLION and per capita income of USD 2 765. Jordan is a middle-income country with, according to the 2008 Survey, less than 2% of people living below the dollar-per-day international poverty line. Jordan appears to be on track to meet two of the eight Millennium Development Goals (MDGs): MDG 2 on achieving universal primary education and MDG 3 on promoting gender equality and empowering women.

Total foreign assistance, including grants and soft loans committed by donors in 2006 and 2007 amounted to USD 675 million and USD 680 million, respectively. The United States and the European Union were the two largest donors. Eleven donors participated in the 2008 Survey, with their aid constituting around 74% of total official development assistance (ODA). Aid accounts for 4% of gross national income (GNI). Jordan was not included in the 2006 Baseline Survey. Therefore, the Paris Declaration 2010 targets will be based on the results of the 2008 Survey.

DIMENSIONS	2007	CHALLENGES	PRIORITY ACTIONS
Ownership	High	Ensuring wide ownership of the national development strategy	Maintain role and update the National Agenda strategy to adapt to emerging needs and challenges
Alignment	Moderate	Limited use made of country systems and low predictability of aid	Continue to strengthen country systems so that donors then make better use of them. Encourage donors to use country systems and regularly provide estimates on aid volumes
Harmonisation	Moderate	Room for improvement as regards the co-ordination and joint conduct of donor missions.	Seek to extend the use of programme-based approaches (PBAs) beyond budget support
Managing for results	Moderate	Sustain and improve on the ongoing reform programmes	Continue progress in managing resources
Mutual accountability	Low	Lack of mechanism for assessing mutual progress on aid effectiveness	Strengthen the role of the government so that it can play a role in mutual assessment

OVERVIEW

Box 24.1:

Challenges and priority actions

OWNERSHIP

OWNERSHIP IS CRITICAL TO ACHIEVING DEVELOPMENT RESULTS and is central to the Paris Declaration on Aid Effectiveness. Aid is most effective when it supports a country-owned approach to development; aid is less effective when countries feel that aid policies and approaches are driven by donors that provide assistance. In the context of the Paris Declaration, ownership specifically concerns a country's ability to carry out two, inter-linked activities: exercise effective leadership over its development policies and strategies; and co-ordinate the efforts of various development actors working in the country.

INDICATOR 1

Do countries have operational development strategies?

Ownership has many dimensions. Indicator 1 – assessed as part of the World Bank's review on *Results-Based National Development Strategies: Assessments and Challenges Ahead* – provides an entry point to the issue. The World Bank assesses the operational value of a country's development strategy and policy against three criteria, all of which are essential features of any serious effort to harness domestic and external resources for development purposes: the existence of an authoritative, country-wide development policy which clearly identifies priorities and is well costed.

The World Bank rates the operational value of a country's development strategy against a five-point scale running from A (highest score) to E (lowest score). The Paris Declaration 2010 target is to raise, to at least 75%, the proportion of partner countries having operational development strategies – *i.e.* meriting a rating of A or B.

As a middle-income country, Jordan was not included in the World Bank's assessment of the extent to which countries have operational development strategies.

Over the past 10 years, Jordan has embarked on an ambitious political, social and economic reform programme. Transforming Jordan into a modern, knowledge-based economy with increased productivity and employment is at the core of Jordan's long-term development strategy. Jordan has, for many years, employed a mid- to long-term planning approach through the implementation of national social and economic development plans.

In November 2005, Jordan developed a comprehensive strategy, known as the National Agenda, which supports the bold reform and modernisation of the country's economic, institutional, and political infrastructure. The main goal of the National Agenda is to improve the quality of life of Jordanians through the creation of income-generating opportunities, the improvement of standards of living, and the guarantee of social welfare.

To ensure a real ownership of the reform process, the *Kuluna al Urdun* – “We are all Jordan” – initiative was launched by His Majesty King Abdullah II in July 2006. The process engaged more than 700 Jordanians from all walks of life, political parties and parliamentary factions, and civil society with the aim of bringing together various representatives of Jordanian society to develop a consensus on the future reform agenda. An important element of this process is the involvement of youth in the debate on reforms, through the Youth Commission of *Kuluna al Urdun*.

To ensure that the momentum of reform continues, in 2007, the Ministry of Planning and International Co-operation, in co-ordination with all ministries and other concerned governmental institutions, prepared a three-year Executive Programme (2007-09) for the *Kuluna al Urdun*/National Agenda. This is regarded as Jordan's medium-term development plan. The Executive Programme consists of seven themes: legislation and

justice; investment development; financial services and governmental financial reform; vocational training and employment; social welfare; public education, higher education, scientific research and innovation; and infrastructure upgrade. Each programme theme has an associated theme goal, a sector goal, policies and key performance indicators. The Executive Programme was developed with a focus on specific projects and programmes, related budget allocations and measurable performance indicators.

The Executive Programme includes 833 programmes and projects with a total estimated cost of Jordanian Dinars (JD) 2.6 billion (USD 3.6 billion) over the years 2007-09, covering priority economic and developmental programmes and projects. A key characteristic of this initiative is that most of the programmes and projects were included in the budget for the year 2007 at a total cost of JD 804 million (USD 1.13 billion). Most of the Executive Programme projects were also included in the 2008 budget for a total cost of JD 921 million (USD 1.3 billion). The Ministry of Planning and International Co-operation is entrusted with follow-up and monitoring of the progress, with implementation of the Executive Programme (2007-09), and with producing periodic progress reports in co-ordination with the sectoral ministries and institutions. To date, four progress reports have been prepared.

For the first year of the Executive Programme 2007-09, remarkable progress was made on the majority of key performance indicators, while others witnessed slow progress. No significant challenges are being faced in terms of the implementation of the Executive Programme. The country report notes that the Government of Jordan has been able to exercise effective leadership over donors and their development assistance, directing assistance to ensure that it aligns with country needs. In summary, ownership in terms of formulating and implementing an operational development strategy would seem to be well-advanced in Jordan. ■

ALIGNMENT

FOR AID TO BE EFFECTIVE, it must be aligned with national development strategies, institutions and procedures. The Paris Declaration envisions donors basing their support fully on country partner aims and objectives. Indicators 2 through 8 examine several dimensions of aid assessing the degree to which partner countries and donors achieve alignment.

For low-income countries, data collected by the World Bank is used to assess the reliability of country systems; such data is lacking for Jordan, a middle-income country. Still, there are grounds for optimism on the co-ordination of technical co-operation, the phasing out of parallel project implementation units (PIUs) and the reliability of country systems. By contrast, significant challenges remain regarding the use of country systems, aid predictability and untying, all of which require further donor co-ordination and contribution. In terms of estimating aid in the budget, a large percentage of aid received by the donors is directed as budget support; however, the remaining aid is utilised to implement projects and programmes by the donors as agreed with the Government of Jordan (Ministry of Planning and International Co-operation in co-ordination with the relevant line ministries). The management of these grants is still subject to donor financial and administrative regulations.

BUILDING RELIABLE COUNTRY SYSTEMS

INDICATOR 2a

How reliable are country public financial management systems?

Indicator 2 covers two aspects of country systems: public financial management (PFM) and procurement. In each case, the focus is on the degree to which these systems adhere to broadly accepted good practices – or to which there is in place a reform programme to promote improved practices. If countries have reliable systems, donors will be encouraged to use such systems for the delivery and management of aid. This helps to align aid more closely with national development strategies and enhances aid effectiveness.

Indicator 2a of the Paris Declaration assesses the degree to which partner countries either have public financial management (PFM) systems that are in line with broadly accepted good practices or have credible reform programmes in place to establish reliable PFM systems. The assessment is based on the World Bank's Country Policy and Institutional Analysis (CPIA) score for the quality of PFM systems, which uses a scale running from 1 (very weak) to 6 (very strong) with half-point increments. To score highly, a country needs to meet all three of the following criteria: a comprehensive and credible budget linked to policy priorities; effective financial management systems to ensure that the budget is implemented as intended in a controlled and predictable way; and, timely and accurate accounting and fiscal reporting, including timely and audited public accounts. The 2010 target is that each country will move up at least one measure (*i.e.* 0.5 points) on the CPIA scale for measuring the quality of PFM systems.

As a middle-income country, Jordan is not part of the World Bank's CPIA assessment and therefore no 2010 target has been set. Discussion of Jordan's country systems is informed primarily by the country report.

The Government of Jordan has made significant progress in improving its PFM systems in recent years, in terms of planning, controlling, monitoring and securing greater transparency of its fiscal policies, budget implementation and debt management, in addition to having a comprehensive and credible budget. A financial management reform programme is being implemented by the Ministry of Finance. This aims to improve the budget process via four mechanisms: implementing a medium-term fiscal framework (MTFF); establishing a single treasury account; improving budget classification; and setting up a government financial management information system. Moreover, results-oriented budgeting was introduced and is now being implemented.

INDICATOR 2b

How reliable are country procurement systems?

At the time of the 2006 Baseline Survey, no mechanism was in place to systematically assess and quantify the quality of procurement systems in partner countries. Thus, it was impossible to set country-level targets on progress towards Indicator 2b.

The General Supplies Department within the Ministry of Finance is the primary governmental entity responsible for procurement of equipment to the Government of Jordan in all fields at macro level. The Government Tenders Directorate was established at the Ministry of Public Works and Housing and is responsible for assessing tenders submitted for the construction of government buildings. Most line ministries have their own tendering departments that review and assess offers submitted to implement their respective projects.

The country report states that the Government of Jordan has established reliable procurement systems that are subject to independent audit. However, to date no systematic assessment has been conducted. The government is also in the process of establishing a Unified Procurement Department that will act according to unified regulation on all aspects of procurement, and, with the help of United Nations Development Programme (UNDP), an e-procurement system. Recently, it also established an Anti-Corruption Commission, which is mandated – amongst other things – to investigate corruption in public procurement.

ALIGNING AID FLOWS ON NATIONAL PRIORITIES

Comprehensive and transparent reporting on aid, and how it is used, is an important means of ensuring that donors align aid flows with national development priorities. The degree to which development assistance to the government sector is fully and accurately reflected in the budget provides a useful indication of the degree to which serious effort is made to connect aid programmes with country policies and processes. It also allows partner country authorities to present accurate and comprehensive budget reports to their parliaments and citizens.

INDICATOR 3

Indicator 3 is a proxy for alignment. It measures the percentage of aid disbursed by donors to the government sector that is included in the annual budgets for the same fiscal year. The indicator is a joint measure of two components: the degree to which donors report aid flows comprehensively to partner countries; and the degree to which partner countries accurately record aid.

The final figure highlights any discrepancy between the government's budget estimates and actual disbursements by donors. The discrepancy (or gap) can be in either direction: budget estimates can be higher or lower than disbursements by donors. In order to have a single measure of discrepancy under 100%, the ratio is inverted when budget estimates are higher than donor disbursements. The 2010 target is to halve the proportion of aid flows to the government sector not currently reported on government budget(s), ultimately arriving at a point where at least 85% of aid is reported on the budget.

In Jordan, foreign aid (grants, soft loans and technical assistance) has always been aligned with national priorities and is requested according to Jordan's national social and economic plans to finance development projects and programmes under these plans. Foreign aid also assists Jordan in alleviating some of its fiscal, economic and social challenges. There are gaps between the foreign assistance that is committed and disbursed by donors, and that which is recorded in the annual budget, particularly grants. This is because grants received by the Government of Jordan are of two types: (a) grants in the form of budget support (*i.e.* grants provided as direct budget support; and (b) grants that are directly managed by the donors (these grants are utilised to finance priority developmental projects and programmes in co-ordination with the relevant line ministry, *i.e.* the ministry implementing the project).

TABLE 24.1:
Are government budget estimates comprehensive and realistic?

	Government budget estimates of aid flows for 2007 (USD m)	Aid disbursed by donors for government sector in 2007 (USD m)	2007*	
	a	b	c = a / b	c = b / a
Canada	0	0	0%	
European Commission	31	68	45%	
France	0	1	0%	
Germany	0	35	0%	
Global Fund	0	2	0%	
Greece	0	2	0%	
Japan	25	31	80%	
Spain	0	1	0%	
United Nations	0	1	0%	
United States	128	116		91%
World Bank	0	47	0%	
Average donor ratio	--	--	20%	
Total	183	305	60%	

* Ratio is $c=a/b$ except where government budget estimates are greater than disbursements ($c=b/a$).

All grants committed by donors in the form of budget support were recorded in the national budget, which represents more than 60% of grant assistance committed by donors. Remaining assistance targets projects that are directly implemented by the donors in co-ordination with the concerned line ministry. All projects and programmes are monitored by the government. All assistance provided goes directly to the government sector supporting projects and programmes in the development plan (currently the Executive Programme).

In general, aid (grants, soft loans and technical co-operation) to Jordan is aligned with national priorities deriving from national social and economic plans. The gap between the volume of aid disbursed and recorded in the budget and the overall volume of aid is largely explained by the fact that a large number of grants are in the form of direct budget support or are managed directly by donors. The latter type of grant is implemented following donor's own financial and administrative regulations; donors report to the government on activities rather than on disbursements. The country report for Jordan makes the case that aid is well aligned with government priorities, despite the fact that a large proportion of aid is not estimated in the budget.

The Paris Declaration 2010 target is for countries to have 85% of aid accurately estimated on budget, or to halve the gap, whichever is the more ambitious. For Jordan, the 2010 target is to see 85% of aid included in the budget. Meeting this target by 2010 will require considerable changes in how several donors manage their aid. In particular, there is scope for donors to strengthen alignment by adapting their procedures.

CO-ORDINATING SUPPORT TO STRENGTHEN CAPACITY

INDICATOR 4

Capacity constraints significantly undermine the ability of partner countries to capture, co-ordinate and utilise aid flows more effectively. Under the Paris Declaration, donors committed to providing technical co-operation in a manner that is co-ordinated with partner country strategies and programmes. This approach aims to strengthen capacities while also responding to the needs of partner countries. Likewise, there is greater recognition that successful capacity building is endogenous – *i.e.* is led by the partner country. To this end, the partner country defines clear objectives to ensure that existing capacities are used effectively and that external support is harmonised within this framework.

	Co-ordinated technical co-operation (USD m) a	Total technical co-operation (USD m) b	2007 c = a / b
Canada	6	6	100%
European Commission	6	6	100%
France	0	1	0%
Germany	7	7	100%
Global Fund	--	--	--
Greece	0	0	95%
Japan	7	7	100%
Spain	--	1	--
United Nations	0	6	0%
United States	103	103	100%
World Bank	11	11	100%
Total	140	147	95%

Table 24.2:
How much technical
co-operation is co-ordinated
with country programmes?

Indicator 4 focuses on the extent to which donor technical co-operation – an important input into capacity development – is moving towards this country-led model. It measures the degree of alignment between donor technical co-operation and the partner country's capacity development needs and strategies. The Paris Declaration 2010 target is that 50% of technical co-operation flows are implemented through co-ordinated programmes that are consistent with national development strategies.

The 2008 Survey shows that 95% of technical co-operation to Jordan was co-ordinated with country programmes.

USING COUNTRY SYSTEMS

Donor use of a partner country's established institutions and systems increases aid effectiveness by strengthening the partner's long-term capacity to develop, implement and account for its policies – to both its citizens and its parliament. The Paris Declaration encourages donors to increase their use of country systems that are of sufficient quality, and to work with partner countries to strengthen systems that are currently weak. In this respect, Indicator 5 is directly linked to Indicator 2 on the quality of PFM and procurement systems, and measures the use of both.

Indicator 5a measures the extent to which donors use partner country PFM systems when providing funding to the government sector. It measures the volume of aid that uses partner country PFM systems (budget execution, financial reporting, and auditing) as a percentage of total aid disbursed to the government sector. The 2010 target is relative to Indicator 2a on the quality of PFM systems.

Indicator 5b measures the volume of aid, as a percent of total aid disbursed to the government sector, that uses partner country procurement systems. The 2010 target is relative to Indicator 2b; thus, targets are indicated only for those countries that established scores for Indicator 2b in the context of the 2006 Baseline Survey.

Data for Jordan show a disappointing 26% of aid making use of country PFM systems, with the budget system used considerably more than the systems for financial reporting and auditing. In accordance with donor regulations, a large number of donors do not make use of Jordan's PFM systems. There is no 2010 target set for the use of Jordan's PFM systems as their reliability has not yet been assessed under the CPIA framework.

INDICATOR 5

TABLE 24.3:
How much aid for
the government sector
uses country systems?

Only 27% of aid uses country procurement systems. This is explained, at least in part, by the fact that some of the major donors are required by their own laws and regulations to use their own procurement systems. As the country procurement systems are improved – for instance through the integration of various procedures and regulations – it is to be expected that donors will, where possible, make greater use of country systems.

	Aid disbursed by donors for government sector (USD m) a	Public financial management (PFM)				Procurement	
		Budget execution (USD m) b	Financial reporting (USD m) c	Auditing (USD m) d	2007 avg (b,c,d) / a	Procurement systems (USD m) e	2007 e / a
Canada	0	0	0	0	0%	0	100%
European Commission	68	0	0	0	0%	0	0%
France	1	0	0	0	19%	0	28%
Germany	35	0	0	0	0%	28	81%
Global Fund	2	2	2	0	67%	1	44%
Greece	2	2	2	1	69%	1	37%
Japan	31	6	6	6	20%	6	20%
Spain	1	--	--	--	--	1	57%
United Nations	1	0	0	0	0%	0	17%
United States	116	116	30	30	51%	30	26%
World Bank	47	39	0	0	28%	15	31%
Total	305	165	40	38	26%	82	27%

AVOIDING PARALLEL IMPLEMENTATION STRUCTURES

INDICATOR 6

When providing development assistance, some donors establish specific project implementation units, *i.e.* dedicated management units designed to support development projects or programmes. A PIU is said to be “parallel” when it is created at the behest of the donor and operates outside existing country institutional and administrative structures.

In the short term, parallel PIUs can play a useful role in establishing good practice and promoting effective project management. However, in the long run, PIUs often tend to undermine national capacity building efforts, distort salaries and weaken accountability for development.

TABLE 24.4:
How many PIUs are parallel
to country structures?

	2007 (units)
Canada	1
European Commission	0
France	0
Germany	0
Global Fund	--
Greece	1
Japan	0
Spain	0
United Nations	0
United States	--
World Bank	0
Total	2

To make aid more effective, the Paris Declaration encourages donors to “avoid, to the maximum extent possible, creating dedicated structures for day-to-day management and implementation of aid-financed projects and programmes.” Indicator 6 is a count of the number of parallel PIUs being used in partner countries. The 2010 target is to reduce by two-thirds the stock of parallel PIUs in each partner country.

In Jordan, two parallel PIUs were identified. Several project management units are established within ministries, with these units funded by donors and entrusted with the implementation of specific projects. Within these units, the staff is recruited by the ministry concerned for that particular project and terms of reference are set by the ministry. Salary structures and benefits are higher than those for civil service personnel. These units are accountable to the relevant ministry rather than to the donor.

PROVIDING MORE PREDICTABLE AID

For many countries, development assistance constitutes a vital source of revenue and resources. Being able to predict aid disbursements – in terms of both how much aid will be delivered and when – is as an important factor in the ability of countries to manage public finances and undertake realistic planning for development. It is particularly crucial to enabling partner countries to implement medium- to long-term development plans and to optimise the allocation of resources within and across sectors. In this regard, the Paris Declaration calls on donors to provide reliable, indicative commitments of aid over a multi-year framework, and to disburse aid in a timely and predictable fashion according to agreed schedules.

INDICATOR 7

TABLE 24.5:
Are disbursements
on schedule and recorded
by government?

	Disbursements recorded by government in 2007 (USD m) a	Aid scheduled by donors for disbursement in 2007 (USD m) b	Aid disbursed by donors for government sector in 2007 (USD m) for reference only	2007*	
				c = a / b	c = b / a
Canada	0	0	0	0%	
European Commission	25	78	68	32%	
France	0	4	1	0%	
Germany	26	30	35	87%	
Global Fund	0	2	2	0%	
Greece	0	1	2	0%	
Japan	7	31	31	24%	
Spain	0	1	1	0%	
United Nations	0	6	1	0%	
United States	116	250	116	46%	
World Bank	44	55	47	79%	
Average donor ratio	--	--	--	24%	
Total	218	459	305	48%	

* Ratio is $c=a/b$ except where disbursements recorded by government are greater than aid scheduled for disbursement ($c=b/a$).

Indicator 7 examines in-year predictability of aid to the government sector, measuring the proportion of planned disbursements (as reported by donors) that are recorded by governments in the national accounting system as actually disbursed. Indicator 7 assesses predictability from two angles. The first angle is the combined ability of donors and government to disburse aid on schedule. The second is the ability of donors and government to record comprehensively disbursements made by donors to the government sector.

Indicator 7 is designed to encourage progress in relation to both angles, with the aim of gradually closing the predictability gap – by one-half – by 2010. The ultimate goal is to improve not only the predictability of actual disbursements, but also the accuracy of how disbursements are recorded in government systems – an important feature of ownership, accountability and transparency.

In 2007, on aggregate, 48% of scheduled disbursements to Jordan were accurately recorded by the government; for the average donor the ratio was 24%. These figures mask a more complex reality with only two-thirds of scheduled disbursements actually taking place. In some cases, planned disbursements are delayed or not recorded in the budget as a result of lengthy bureaucratic procedures on the side of donors.

The Paris Declaration 2010 target is to close the predictability gap by a half. For Jordan, a first-time survey participant, with three rather than five years to meet the target, an appropriate level of ambition would be to increase predictability to 67% by 2010. Meeting this target should be possible, but will require a concerted effort: by donors, to reduce the gap between planned and actual disbursements and to notify government about disbursements; and by government, to accurately record disbursements. Donors should also give serious consideration to making multi-year indicative commitments.

UNTYING AID

INDICATOR 8

How much aid is untied?

Aid is said to be “tied” when it is provided on the condition that the recipient country will use it to purchase goods and services from suppliers based in the donor country. Experience shows that aid with such conditions attached increases the costs of goods and services provided to partner countries; it also increases the administrative burdens on both donors and partners. By contrast, untied aid helps build a country’s capacity to provide goods and services.

Country figures for untying aid are based on voluntary self-reporting by donors that are members of the OECD Development Assistance Committee (OECD-DAC). The 2010 target is to continue progress towards untying aid over time. Based on the figures for untying aid established by the OECD Development Assistance Committee (OECD-DAC) on untying status of aid by DAC members, 99% of aid to Jordan was untied in 2006. However, when the coverage is expanded to include aid (grants and soft loans) provided by OECD-DAC members and other donors (such as China), the government reports that only 35% is untied. Very few donors have changed their mode of operation over the past three years. ■

HARMONISATION

DECADES OF DEVELOPMENT EXPERIENCE show that poor co-ordination of aid increases the cost for both donors and partner countries, and significantly reduces the value-added of aid. Harmonisation of aid delivery procedures and adoption of common arrangements help reduce duplication of effort and lower the steep transaction costs of managing aid. The Paris Declaration focuses on two dimensions of aid as a proxy for assessing overall harmonisation: the use of common arrangements within programme-based approaches (PBAs) and the extent to which donors and partner countries conduct joint missions and share analysis.

On harmonisation, the state of play in Jordan is reasonably encouraging. At present, 49% of aid makes use of PBAs, almost all of this consists of aid provided through budget support. On co-ordinating and conducting joint donor missions and country analytical work, it appears that firm government leadership is delivering results, although continued progress will be needed to meet the 2010 targets.

USING COMMON ARRANGEMENTS

Aid effectiveness is enhanced when donors use common arrangements to manage and deliver aid in support of partner country priorities. A sound mechanism for aid co-ordination can be described as one that builds on shared objectives and that reconciles, in a constructive manner, the various interests of stakeholders.

INDICATOR 9

TABLE 24.6:
How much aid is
programme based?

	Programme-based approaches (PBAs)			Total aid disbursed (USD m) d	2007 e = c / d
	Budget support (USD m) a	Other PBAs (USD m) b	Total (USD m) c = a + b		
Canada	0	3	3	6	45%
European Commission	30	45	74	81	92%
France	0	0	0	2	0%
Germany	0	7	7	35	19%
Global Fund	2	0	2	2	100%
Greece	0	2	2	2	74%
Japan	0	24	24	32	77%
Spain	--	1	1	4	32%
United Nations	0	1	1	6	11%
United States	116	140	256	256	100%
World Bank	0	0	0	47	0%
Total	147	222	370	473	78%

Indicator 9 assesses the degree to which donors work together by measuring the proportion of total ODA disbursed within PBAs. In practice, there are many different modalities for implementing PBAs, which operate at various levels. At one level, the partner country is responsible for defining clear, country-owned programmes (*e.g.* sector policy) and establishing a single budget framework that captures all resources (both domestic and external). At the second level, donors are responsible for taking steps to use local systems for programme design and implementation, financial management, monitoring and evaluation. Finally, partner countries and donors are jointly responsible for donor co-ordination and harmonisation of donor procedures. The 2010 target is that 66% of aid flows are provided in the context of PBAs.

Data for 2007 show that 78% of aid to Jordan makes use of PBAs. Around two-thirds of the aid that uses PBAs is budget support. In other words, aid that is not provided as budget support tends not to make use of PBAs. The current figure exceeds the 2010 target for 66% of aid to make use of PBAs.

CONDUCTING JOINT MISSIONS AND SHARING ANALYSIS

One of the most frequent complaints of partner countries is that donors make too many demands in relation to their limited resources: country authorities spend too much time meeting with donor officials and responding to their many requests. The Paris Declaration recognises that donors have a responsibility to ensure that, to the greatest extent possible, the missions and analytical work they commission are undertaken jointly – *i.e.* that the burden of such work is shared.

Indicator 10 measures the extent to which donors are merging their missions (Indicator 10a) and analytical work (Indicator 10b) at the country level – either with country partner authorities or amongst the donor community (or both). It calculates the proportion of missions to the country undertaken jointly (*i.e.* by more than one donor) and the share of country-analysis exercises undertaken on a joint or co-ordinated basis. The 2010 target is that 40% of donor missions to the field are conducted jointly and that 66% of country analytical work is carried out jointly.

TABLE 24.7:
How many donor missions
are co-ordinated?

	Co-ordinated donor missions* (missions) a	Total donor missions (missions) b	2007 c = a / b
Canada	0	4	0%
European Commission	--	--	--
France	1	12	8%
Germany	1	1	100%
Global Fund	0	4	0%
Greece	0	1	0%
Japan	0	13	0%
Spain	1	1	100%
United Nations	6	6	100%
United States	--	--	--
World Bank	21	36	58%
Total	20	78	25%

* The total of co-ordinated missions has been adjusted to avoid double-counting. A discount factor of 35% is applied.

TABLE 24.8:
How much country analysis
is co-ordinated?

	Co-ordinated donor analytical work* (analyses) a	Total donor analytical work (analyses) b	2007 c = a / b
Canada	0	0	--
European Commission	3	13	23%
France	0	0	--
Germany	7	7	100%
Global Fund	2	3	67%
Greece	0	1	0%
Japan	0	0	--
Spain	1	1	100%
United Nations	3	4	75%
United States	11	11	100%
World Bank	0	3	0%
Total	20	43	47%

* The total of co-ordinated analytical work has been adjusted to avoid double-counting. A discount factor of 25% is applied.

In 2007, 25% of a total of 78 donor missions to Jordan were conducted jointly, with one or more donors. Nearly one-half of missions were conducted by a single donor. Whilst it will be a challenge to meet the 2010 target of 40% of donor missions conducted jointly, there are some encouraging findings. The Ministry of Planning and International Co-operation plays an active and effective role in ensuring co-ordination, preparing for missions, organising meetings, facilitating the work of missions and reviewing and approving missions' reports.

INDICATOR 10a

Indicator 10b measures the proportion of country analytical work that is undertaken jointly. In 2007, 47% of Jordan's country analytical work was undertaken jointly. This encouraging figure reflects the active role played by the Ministry of Planning and International Co-operation, and suggests that the 2010 target of 66% of country analytical work being conducted jointly is attainable. ■

INDICATOR 10b

MANAGING FOR RESULTS

THE PARIS DECLARATION CALLS ON donors and partner countries to make a joint commitment to managing for development results – *i.e.* to manage resources according to desired results. This implies defining desired results and measuring progress toward them, as well as using information on results to improve decision making and performance. It also implies strengthening capacity to undertake such management and helping to increase the demand for a focus on results (*i.e.* adopt a results-based monitoring framework).

INDICATOR 11

Do countries have results-based monitoring frameworks?

Indicator 11 utilises data collected as part of the World Bank's review on *Results-Based National Development Strategies: Assessments and Challenges Ahead*. The review focuses on three particular aspects of a robust results-based monitoring framework: the quality of the information generated; stakeholder access to the information; and the extent to which such information is utilised within a country-level monitoring and evaluation system.

The assessments are expressed in scores running from A (high) to E (low), with B representing a "largely developed results-based monitoring framework." The 2010 target is to reduce by one-third the proportion of countries lacking transparent, results-based monitoring frameworks (*i.e.* reduce by one-third the number of countries not attaining at least a B rating).

As a middle-income country, Jordan was not part of the World Bank's work on Results-Based National Development Strategies. As such, no rating has been given on Indicator 11.

Performance and assessment of all foreign assistance funded programmes and projects, as well as for other projects in the Executive Programme and General Budget, is monitored by the Government of Jordan. Moreover, steering committees are usually chaired by the Ministry of Planning and International Co-operation and are established to ensure the proper implementation of the project and programmes funded by foreign assistance, including projects implemented directly by the donors. The implementing parties submit periodical progress reports, which are reviewed by the Government of Jordan, and recommendations are presented to the steering committees. Donors report on activities implemented and work progress in accordance with agreements established with the government when assistance for a particular project/programme was initially requested or negotiated.

The Ministry of Planning and International Co-operation is entrusted with monitoring the progress and implementation of the Executive Programme (2007-09), as well as previous development plans, and producing periodic progress reports in co-ordination with the sectoral ministries and institutions. Progress reports provide analysis on advances in programme implementation by addressing the following key elements: macro-economic framework; progress at the level of key performance indicators; progress at the level of goals and policies; progress at the project level; and expenditure. ■

MUTUAL ACCOUNTABILITY

INDICATOR 12

Do countries have reviews of mutual accountability?

THE PARIS DECLARATION RECOGNISES that for aid to be truly effective, stronger and more balanced accountability mechanisms are required at all levels. In particular, aid is more effective when both donors and partner country governments are accountable – to their respective publics and to each other – for the use of resources and management to achieve development results. The Paris Declaration calls for donors and partner countries to jointly assess (through existing country-level mechanisms) mutual progress in implementing agreed commitments on aid effectiveness, including commitments made under the Paris Declaration.

Indicator 12 is concerned with the specific question of whether there is a country-level mechanism for mutual assessment of progress on the partnership commitments arising from the Rome or Paris Declarations, or from local harmonisation and alignment plans. The 2010 target is for all partner countries to have such mechanisms in place.

Jordan does undertake assessments of progress in implementing the Executive Plan of the National Agenda. However, at present there is no mechanism in place for mutual assessment – involving donors and the government – of progress made in implementing aid effectiveness commitments. A technical committee has been established to oversee progress as regards the Paris Declaration. This committee includes representatives from government and donors, and may provide a sound mechanism for mutual assessment. ■

PROGRESS SINCE 2005 AND PRIORITIES FOR 2010

AS A MIDDLE-INCOME COUNTRY that is not included in the World Bank's work on Results-Based National Development Strategies, or in its CPIA assessments, data have not been collected for some of the indicators. Therefore, using the standard range of indicators to obtain a picture of aid effectiveness in Jordan has limitations. However, it is clear that Jordan is well-advanced in terms of ownership – specifically in terms of its development strategy – and that the government exercises firm leadership to a large degree. For progress to be made on the Paris Declaration 2010 targets, donors will need to make more use of country systems, and donors and government will need to work cohesively to enhance aid predictability and the reporting and inclusion of aid in the budget. ■

INDICATORS		2007	2010 TARGET
1	Operational development strategies	N/A	N/A
2a	Reliable public financial management (PFM) systems	N/A	N/A
2b	Reliable procurement systems	Not available	Not applicable
3	Aid flows are aligned on national priorities	60%	85%
4	Strengthen capacity by co-ordinated support	95%	Target of 50% achieved
5a	Use of country PFM systems	26%	Not applicable
5b	Use of country procurement systems	27%	Not applicable
6	Strengthen capacity by avoiding parallel PIUs	2	0
7	Aid is more predictable	48%	67%
8	Aid is untied	99%	More than 99%
9	Use of common arrangements or procedures	78%	66%
10a	Joint missions	25%	40%
10b	Joint country analytical work	47%	66%
11	Results-based monitoring frameworks	N/A	N/A
12	Mutual accountability	No	Yes

SUMMARY
TABLE 24.9

CONTRIBUTORS

National Co-ordinator: Zenia Toukan

Donor Focal Point: United Nations

ACRONYMS

CPIA	Country Policy and Institutional Assessment
GNI	Gross national income
JD	Jordanian Dinars
MDGs	Millennium Development Goals
MTFF	Medium-term fiscal framework
ODA	Official development assistance
OECD-DAC	OECD Development Assistance Committee
PBA	Programme-based approach
PFM	Public financial management
PIU	Project implementation unit
UNDP	United Nations Development Programme
USD	United States dollars