



EUROPEAN
COMMISSION

HIGH REPRESENTATIVE OF THE
EUROPEAN UNION FOR
FOREIGN AFFAIRS AND
SECURITY POLICY

Brussels, 20.3.2013
SWD(2013) 92 final

JOINT STAFF WORKING DOCUMENT

Implementation of the European Neighbourhood Policy in Jordan Progress in 2012 and recommendations for action

Accompanying the document

JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

European Neighbourhood Policy: Working towards a Stronger Partnership

{JOIN(2013) 4 final}
{SWD(2013) 79 final}
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1. OVERALL ASSESSMENT AND RECOMMENDATIONS

This document reports on progress made on the implementation of the EU-Jordan ENP Action Plan between 1 January and 31 December 2012, although developments outside this period are also taken into consideration where relevant. It is not a general review of the political and economic situation in Jordan. For information on regional and multilateral sector processes readers should also refer to the progress report of the Partnership for Democracy and Shared Prosperity.

In 2012 the political instability already experienced in 2011 continued, with three successive cabinets being appointed. This picture was further complicated by a worsening economic outlook, in an overall context of heightened tension in the region notably due to the civil unrest in Syria. Jordan has played a vital role in providing support and hospitality to the ever-growing number of Syrian refugees fleeing the atrocities. Recognising the burden this places on the country's resources, the EU provided support through humanitarian assistance and longer terms measures with overall funding of over EUR 43 million.

Cooperation between the EU and Jordan improved further in 2012. The political dialogue on foreign and security matters continued to take place at the most senior level with High Representative Foreign Affairs and Security Policy/Vice President Ashton visiting Jordan frequently. His Majesty King Abdullah also visited the European institutions in April and President Barroso paid an official visit to Jordan in October.

As regards the implementation of the ENP Action Plan, there were some positive developments as regards deep and sustainable democracy, in line with the recommendations set out in the previous Progress Report. Political reforms continued in 2012 in particular with the establishment of an independent electoral commission, the establishment of the Constitutional Court, the adoption of a new political parties' law and a new electoral law. The latter law, however, has been strongly criticised by most opposition parties claiming it does not ensure a fair distribution of seats and perpetuates the previous law based on the "one person, one-vote" system (i.e. the single non-transferable vote).

Jordan should step up its fight against corruption, which weakens citizens' trust in democratic institutions and undermines the country's economic and social development.

In November, the Jordanian cabinet adopted a number of austerity measures including the abolition of government subsidies for fuel products, in order to drastically reduce the growing budget deficit that has threatened to plunge the nation into a fiscal crisis. These measures caused violent protests and spontaneous demonstrations all over the country with riots in more than a dozen cities. Over 300 protesters were arrested, although most of them were released within a few days. In December, King Abdullah instructed the government to release those still in jail (some 120 people).

In a number of instances in 2012, the General Prosecutor continued referring civilians to the State Security Court with offences involving free speech, contrary to the constitutional amendments made in 2011.

The amendments to the Press and Publication Law and the on-line media, adopted in September, stirred a heated debate in the country. Representatives from domestic press voiced their concerns about certain controversial provisions in the law including *inter alia* a vague

definition of electronic publications, the licensing of online media, media outlets's liability for posted comments, and the introduction of an obligation for chief editors to be members of the Jordan Press Association.

A further example of the closer EU-Jordan cooperation can be reported in the transport area. In April, the European Aviation Safety Agency (EASA) and Jordan Civil Aviation Regulatory Commission (CARC) signed a working arrangement on technical cooperation in the field of civil aviation safety.

In the area of migration, the EU-Jordan Dialogue on Migration, Mobility and Security mobility was launched in December.

Moreover, in December, the EU and Jordan signed a Protocol to the Euro-Mediterranean Agreement on the general principles for Jordan's participation in EU programmes. This represents a further step forward in EU-Jordan partnership, opening up new opportunities in many sectors.

On the economic front, Jordan continued to face multiple external shocks. High prices for imports of oil and food; repeated and extensive periods of interrupted natural gas flow from Egypt due to the sabotage of energy infrastructure (gas pipeline), a slowdown in remittance flows, and the persistent unrest in Syria continued to have a negative impact on Jordan's economy.

In August, Jordan signed an agreement with the International Monetary Fund on a USD 2 billion stand-by arrangement to support the country's economic programme from 2012 to 2015 to address fiscal and external challenges and foster high and inclusive growth and looks forward to its implementation. Early December, the Jordanian government formalised its request for an EU Macro Financial Assistance (MFA) programme.

In 2012 Jordan addressed a number of the key recommendations contained in the last year's ENP progress report, notably the establishment of the electoral commission, the Constitutional Court, the adoption of a political parties' law and an electoral law. Most of the other key recommendations made previously remain valid. In line with the commitments agreed in the ENP Action Plan, Jordan should pursue the reform process, enforce the laws adopted and acts accordingly. Jordan is particularly invited:

- To build an inclusive, participatory, and open political system where all Jordanians feel represented. Review the electoral law framework ensuring the universality of voter participation and equality of votes.
- To strengthen the independence and impartiality of the judiciary and its administrative capacity, including completely ceasing to use military courts to judge civilians.
- To enhance the fight against corruption which undermines the country's political, economic and social development, also through the adoption of the new draft National Anti-Corruption Strategy and related Action Plan.
- To take concrete steps to eradicate violence against women and to promote women's integration in politics, economic life, education and employment.

- To withdraw its reservations on Article 15(4) of the UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), in line with the recommendation of the UN Committee on the Elimination of Discrimination against Women.
- To proceed towards a *de jure* abolition of the death penalty.
- To move forward with the ratification of the Optional Protocol to the UN Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment.
- To ensure freedom of the press and prevent any kind of interference in mainstream or online news portals. Discontinue the practice of referring civilians to the State Security Court for free speech offences.
- Ratify the regional Convention on pan-Euro-Mediterranean preferential rules of origin.
- Pursue regulatory convergence to support efforts to increase exports and to prepare for an Agreement on Conformity Assessment and Acceptance of industrial products, and step up efforts towards a Deep and Comprehensive Free Trade Area (DCFTA).

2. POLITICAL DIALOGUE AND REFORM

Towards deep and sustainable democracy

In June, Parliament adopted a new **Elections** Law that added to the existing single non-transferable vote at Governorate level, a second, proportional vote at the national level. From early August until mid-October, the Independent Electoral Commission (IEC) compiled a new voters' lists, with over 2.3 out of 3.6 million eligible voters registered. For the first time, voters were assigned to specific polling stations. However, in July the Islamic Action Front, Jordan's major political party, and other opposition parties announced their boycott of the electoral process from registration to voting.

In April, Parliament adopted a law establishing an Independent Electoral Commission. The IEC, headed by Abdulilah Al Khatib, started its work in May and is responsible for the conduct and organisation of parliamentary elections, taking over from the Ministry of Interior. In August, the IEC invited for the first time the EU to observe the parliamentary elections that took place on 23 January 2013. The EU deployed a full electoral observation mission (EU EOM). In its preliminary statement released on 25 January, the EU EOM reported that the legislative elections were well organised and administered despite serious inadequacies in the legal framework affecting the universality of voter participation and equality of votes.

The EU made an allocation of EUR 70 million available from the SPRING (Support for Partnership, Reform and Inclusive Growth) programme, doubling its average annual bilateral cooperation, to encourage the consolidation of reforms in the political, social and economic areas. Part of this support targeted the electoral process in Jordan, including institutional support to the IEC and to the judiciary. The second part was allocated under the “Good Governance Development Contract” to support the strengthening of human rights, economic development and social protection.

With regard to **freedom of association**, in July Jordan refused to allow the civil society organisations 'Tamkeen' and 'Acted' to accept foreign funding for projects targeting, the rights

of migrant workers and refugees respectively. These were the first refusals of European funding since the adoption of the 2008 Law of Societies, as amended in 2009.

In May, Parliament adopted a Political Parties Law that retained a significant role for the Ministry of Interior in the registration and oversight of political parties. The law removed the requirement for founding members to obtain security clearance and aimed to limit the interference of state entities in party life, but did not prescribe sanctions for doing so. The required number of founding members (500) remains unchanged. The law also introduced requirements as to the gender balance (a minimum quota of 15 seats allocated to women) and geographical representation from governorates among founders. The law prohibits forming a political party on religious, sectarian, ethnic, or factional basis, or on the basis of discrimination of gender or origin. In 2012, the number of registered political parties increased from 18 to 23.

With regard to **freedom of assembly**, public protests in Jordan continued throughout 2012 with several thousand demonstrations held, from small protests to larger marches. Jordanian police handled the protests in a peaceful and professional manner. In several cases in 2012, however, the government arrested activists and brought politically motivated charges against them.

Concerning **freedom of expression**, in January a demonstrator was sentenced to two years in prison by the State Security Court to over torching a picture of the King. The demonstrator was eventually pardoned by the King Abdullah. Several cases of peaceful speech, some involving journalists, were also prosecuted at State Security Court, despite a 2011 constitutional amendment that limited the court's jurisdiction. In March, clashes in Tafileh between Gendarmerie and pro-reform youth led to violence, arrests and ill-treatment in custody according to local NGOs. A protest in Amman against the continued detention of activists from Tafileh led to the arrest of some 30 persons charged with insulting the King. In September, security forces arrested a number of activists from Tafileh, Karak and Amman and charged them under terrorism provisions. They remain in detention.

As regards **media freedom**, in April, a journalist and an editor from a local online news outlet were arrested when an article implied royal interference in parliamentary corruption proceedings. In September, the Parliament adopted an amendment to the Press and Publications Law which the Government claimed would ensure better organisation and accountability in the sector. The law met with strong public criticism; with the online media community joining in a civic protest against the law calling for disobedience. The law empowers a government agency - the Press and Publications Directorate - to define a website as an "electronic publication", to make a request for it to register and to punish it with a fine if it does not. Once a website is registered, the Press and Publications Law applies to it, including mandatory membership in the Jordan Press Association. The law also makes website owners liable for comments left by users on their websites as "press material" making the owner of the site responsible for them. The law further provides for the establishment of specialised courts dealing with press offences.

No further progress was made towards **judicial independence**. The government did not adopt the long awaited draft Independence of Judiciary Law which aims to consolidate the independence of the Higher Judicial Council as the sole body authorised to appoint judges.

One positive development was the adoption of the Constitutional Court Law that was approved by Royal Decree in June and entered into force in October. It provides for the

establishment of an independent and separate judicial body to monitor the constitutionality of laws and regulations in force and to interpret the provisions of the Constitution. The Constitutional Court supersedes the Higher Council for the Interpretation of the Constitution. The constitutionality of laws can be challenged by bodies including the Senate, House of Representatives and the Council of Ministers.

In the framework of the Commission financed programme “Strengthening democratic reform in the southern Mediterranean”, the Council of Europe agreed with the Jordanian authorities to cooperate in a number of areas, including justice.

Corruption in Jordanian society remains a matter of serious concern. Despite a stated policy of zero tolerance, progress remained slow in terms of concrete measures taken. Several high-profile officials were arrested on corruption charges and the cases are still under investigation. In April, the Parliament adopted an amendment to the Anti-Corruption Law introducing provisions for the protection of whistle-blowers and witnesses. The EU supports the strengthening of the capacity of the Anti-Corruption Commission. A new draft National Anti-Corruption Strategy and Action Plan were prepared.

Other human rights and governance-related issues

A *de facto* moratorium on the application of the **death penalty** continues to apply. It is estimated that 95 persons are on death row in Jordan. The EU encouraged Jordan to consider proceeding towards a *de jure* abolition of the death penalty.

Following the 2011 constitutional amendment outlawing **torture**, the EU invited Jordan to sign the Optional Protocol to the Convention against torture and other cruel, inhuman or degrading treatment or punishment, to establish an efficient national preventive mechanism, instigate an inspection system that allows unannounced visits, and systematically publish data on torture.

In March, the UN Committee on the Elimination of Discrimination against **Women** recommended, inter alia, that Jordan withdraw its reservations from Article 15(4) of CEDAW and revise its Nationality Law. In May, the Special Rapporteur on violence against women presented her report to the 20th session of the Human Rights Council (HRC) and recommended, inter alia, that Jordan amend Article 6 of its Constitution and amend its Nationality Act to grant Jordanian women the right to confer their citizenship on their children. In June, the Jordanian National Commission for Women launched the third National Strategy for Women for 2012-2015. In September, the Parliament deleted a provision in the amendment to the Passports Law that stipulated that women needed prior agreement from their spouses to obtain travel documents.

Cooperation on foreign and security policy, regional and international issues, conflict prevention and crisis management

Political dialogue between the EU and Jordan on foreign and security policy developed further, notably at the most senior level. With regard to the Middle East Peace Process, Jordan continued to be strong advocate of reviving the negotiations between the Palestinians and the Israelis. From January to March, Jordan sponsored exploratory talks between Israeli and Palestinian envoys in Amman.

As a custodian of Holy Sites in Jerusalem under the Jordan-Israel peace treaty, Jordan frequently criticised Israel's attempts to erase the Arab, Muslim, or Christian elements of Jerusalem's identity and to endanger Al Aqsa Mosque.

Jordan kept an open-door policy towards refugees fleeing Syria. The number of refugees increased dramatically towards the end of the year. By the end of 2012, Jordan hosted over 173 000 Syrian refugees registered and/or assisted by the UNHCR. The government of Jordan estimated the number of Syrian refugees, including those in host communities, at 250.000 overall by end of December. In July, Jordan opened the Za'atari camp for Syrian refugees near Mafraq in northern Jordan. In October, Jordan selected Marjeeb Al Fahood near Zarqa as the second refugee camp.

Jordan became the first country in the Middle East to have removed all minefields from its territory in accordance with its international obligations as a State Party to the Anti-Personnel Mine Ban Convention. The Permanent Secretariat of CBRN (Chemical, Biological, Radiological and Nuclear) Risk Mitigation Centres of Excellence in the Middle East opened in Amman in October.

3. ECONOMIC REFORM, SOCIAL REFORM AND DEVELOPMENT

Macroeconomic framework¹

Despite the positive economic spillover from the Gulf countries, Jordan's fiscal- and balance of payments position deteriorated in 2012, reflecting higher oil prices, the impact of regional tensions on inward investment, and the gas supply disruptions from the Egyptian pipeline that forced the import of more expensive fuels. The macroeconomic situation improved only in the second half of the year, following the approval by the IMF of a USD 2 billion adjustment programme, thereby contributing to the acceleration of the **GDP growth** from 2.6% in 2011 to an expected 3% in 2012. **Consumer price inflation** remained broadly at the 2011 levels as the inflationary impact of the pass-through of international prices was largely offset by further monetary policy tightening. The central bank raised its policy interest rates by 50 basis points in February and increased by another 75 basis points the overnight deposit rate in December 2012.

The shocks to the energy sector had an impact on public finances, including through the losses of the state-owned electricity company (estimated at USD 2 billion). With the aim to bring fiscal and energy policies back to a sustainable path and to address possible shortfalls in external flows, the authorities decided to embark on a series of fiscal structural reforms. These included the adjustment of energy prices, the diversification of energy supplies and the submission to the Parliament of legislative proposals on income taxation and social security reform. The efforts contributed to a moderate narrowing of the **fiscal deficit** (before grants) to 10.1% of GDP from 11.7% a year earlier. The public debt grew to nearly 80% of GDP at the end of the year from almost 71% at the end of 2011. The **current account** deficit (including grants) widened to 17% of GDP from 12% in 2011, as the increased energy import bill was only partially offset by a rebound in tourism and remittances. This result, together with a significant slowdown in inward investment, notably in the first half of the year, led to a

¹ Figures on GDP, inflation, trade and employment are generally from Eurostat based on data supplied by the national statistical offices; or IMF or Commission Staff estimates, as indicated in the Statistical Annex. When other data sources are used these are then indicated.

deteriorating balance of payments position and to a sharp decrease (-40%) in foreign exchange reserves.

Social situation, employment and poverty reduction

The **unemployment** rate is expected to stand at 12.2% in 2012, a decrease from the 2011 levels (12.9%). National figures indicate that the highest rate of unemployment was recorded in the 15-19 and 20-24 years age groups, while unemployment was high among university degree holders. Job creation and employment generation are among the most critical challenges for Jordan and have a direct bearing on internal stability. As of January, the government increased the minimum wage from JOD 150 to JOD 190 per month, excluding non-Jordanians from the measure.

In June, the government launched the National **Employment** Strategy 2012-2020, aiming to increase the participation of women in the labour market; increase youth employment; expand training programmes in the workplace; develop employment services and career guidance, and improve the terms and conditions of employment to attract more Jordanians to the labour market. The strategy receives support from the EU through the ETVET budget support programme (EUR 35 million). A committee, to be led by the Government and involving all stakeholders, to monitor the implementation of the strategy's action plan, remains to be set up. A second phase Decent Work Programme (DWP) between Jordan and the International Labour Organisation was launched in March. The aim of the DWP is to push the national employment agenda and enhance access to decent work opportunities. In September, Jordan hosted a regional ministerial-level seminar "New challenges for skills development in the Arab States of the Southern and Eastern Mediterranean" and a new Young Mediterranean Leaders initiative was launched.

In the area of **social protection**, social-security coverage was extended to include more enterprises and workers, and health care coverage for vulnerable groups was expanded. In January, the Social Security Corporation started to implement its strategic plan 2012-2016 with the support of an EU technical assistance team.

With regard to **labour standards**, Jordan made no progress towards ratifying ILO Convention No 87 'Freedom of Association and Protection of the Right to Organise' during the reporting period.

4. TRADE-RELATED ISSUES, MARKET AND REGULATORY REFORM

The EU is Jordan's second largest trading partner - just behind Saudi Arabia - accounting for 15.5% of its trade volume in 2011². **Bilateral trade** flows slightly increased and during the first eleven months of 2012 amounted to EUR 3.4 billion. EU exports to Jordan increased and consisted mainly of machinery and transport equipment. EU imports from Jordan increased and consisted mainly of chemicals, machinery and transport equipment.

The negotiating directives for a Deep and Comprehensive Free Trade Area (DCFTA) with Jordan were adopted in December 2011. The DCFTA aims at progressively integrating Jordan into the EU single market. It should lead to regulatory convergence in areas that have an impact on trade and investment, but also more generally on economic governance and on the

² Data for 2012 was not available at the time of writing.

business climate, such as competition, intellectual property rights, public procurement and trade facilitation. The DCFTA should also include provisions on investment protection, further liberalisation in agriculture, trade in services and establishment. A first meeting marking the start of the preparatory process took place in Amman in March 2012. As a follow-up, the Commission sent a set of questions to Jordan on various aspects of policy and legislation related to the DCFTA and proposed to resume the preparatory work as soon as possible.

Jordanian **customs** apply a single window concept. The number of companies participating in the ‘Golden List’ programme further increased to 39. The implementation of pre-arrival and pre-departure processing of declarations was still pending as Jordan has not adopted a new Customs Law. The new law, will include provisions to extend the competence of customs authorities to pursue intellectual property rights infringements. With regard to its new Strategic Plan for the 2011 to 2013 period, Jordan performed well on each of the four objectives: anti-smuggling and combating of illicit trade, contributing to the investment environment, supplying the treasury with financial revenues, and developing performance and institutional capacity. Jordan is yet to ratify the Regional Convention on pan-Euro-Mediterranean preferential rules of origin signed in 2011. Jordan regularly participated in the meetings of the pan-Euro-Med Working Group, which is currently discussing the revision of the rules of origin in the framework of the regional Convention.

There were no significant developments in 2012 with respect to Jordan’s 2011 request to accede to the Gulf Cooperation Council (GCC).

In the area of **free movement of goods** and **technical regulations**, Jordan made progress in preparing for negotiations on the Agreement on Conformity Assessment and Acceptance of industrial products (ACAA) aimed at facilitating the access of Jordanian industrial products to the EU internal market (and vice-versa). The Jordanian authorities continued to transpose sectoral legislation in the three priority sectors — gas appliances, toys and electrical products. So far, 44 draft transpositions of EU directives have been submitted to Commission services for assessment, including a horizontal framework for industrial products. However, delays in the adoption of the amendments to the Law on Standards and Metrology providing for the enforcement of most of the new standards are jeopardising progress at technical level.

The Jordanian Standards and Metrology Organisation became an associate member of European Cooperation for Accreditation (EA) and an affiliate member of the European Committee for Electrotechnical Standardisation (CENELEC).

The EU and Jordan continued, with Twinning and TAIEX support, **sanitary and phytosanitary** cooperation particularly on food safety, animal identification and farm registration and on the accreditation of the Jordanian Faculty of Veterinary Medicine. Jordan participated in a Commission/European Food Safety Agency/TAIEX supported Mediterranean seminar on regional coordination of animal identification and disease control measures. Planned reforms of the food law, which aim to approximate EU standards, are still pending.

The SME policy contributed positively to the **business climate**, but in the World Bank Doing Business report, Jordan fell to 106th place overall, as none of the measures were deemed to bring substantial improvements.

In the area of **financial services** there was only limited progress. The process for the selection of a strategic partner to establish a Credit Bureau was ongoing.

Other key areas

With regard to the reform of the **tax** system, Jordan prepared a draft Income Tax Law changing the rate structure to become more progressive. The draft aims to exempt a larger number of lower income households from income taxes and to raise corporate taxes from banks, telecom and mining companies. The Income and Sales Tax Department (ISTD) continued to modernise its tax management systems. Through new information technology systems and audit techniques, the ISTD identified about EUR 762 million of tax arrears. The next step should be to target the arrears through the justice system.

The government took various measures to facilitate **small and medium sized enterprises'** access to finance, one of the most critical factors for doing business in Jordan. These included a EUR 273 million loan guarantee fund and Jordan becoming an EBRD country of operation as of September. In July, the government mandated the Jordan Enterprises Development Corporation to manage the Governorate Fund, which aims to invest EUR 163 million over a six-year period in productive and income-generating projects. The first seven projects, for a total amount of EUR 3.8 million, were selected in September. Jordan continued to participate in Euro-Mediterranean industrial cooperation and shared knowledge, tools and good practice in areas covered by the Euro-Mediterranean Charter for Enterprise and in specific sectors: textiles and clothing, tourism, raw materials and space.

In the area of **statistics**, Jordan started preparation of the Jordan-HIMS project as part of the Mediterranean Household Migration Survey (MED-HIMS) and continued to improve its national accounts sector, water accounts and water statistics. Jordan started to prepare the population and housing census due in 2014.

Concerning the reform of **internal financial control and audit**, the Ministry of Finance and the Audit Bureau developed a multi-year training plan to reinforce internal control units and to complement Audit Bureau's plan to withdraw from internal control. This initiative followed the recommendation of the last year's progress report and continued to be supported by the EU under the Public Financial Management Programme launched in 2010. SIGMA³ missions supported the Audit Bureau in the implementation of its Strategic Plan 2011-2015.

There were no significant developments in the fields of **competition policy, establishment, company law, intellectual property rights, consumer protection, movement of capital and public procurement**.

5. COOPERATION ON JUSTICE, FREEDOM AND SECURITY

In the area of **migration**, the EU-Jordan Dialogue on Migration, Mobility and Security mobility was launched on 12 December. In the framework of the implementation of this dialogue, a first EU mission visited Jordan between 25 and 28 February 2013 to discuss at technical level, with Jordanian authorities and experts, matters related to passport and identity documents, management of borders and migration, as well as asylum and international protection.

³SIGMA stands for "Support for Improvement in Governance and Management", a joint initiative of the OECD and the EU, principally financed by the EU.

Jordan continued to accommodate a large number of Syrian **refugees**, in addition to large communities of refugees from the occupied Palestinian territory and Iraq. Although Jordan is not a signatory of the 1951 Refugee Convention, by December over 173 000 Syrian refugees registered or were awaiting registration with the UNHCR.

Jordan remained a destination and transit country for persons subject to forced labour. Migrant workers continued to be caught between lack of proper protection against employers' abuse and insufficient enforcement of legislation in force. Instructions issued by the Ministry of Labour regulating the entrance, vacation, clearance and final departure of Egyptian workers, making up a majority of migrant workers in Jordan, made some of them victims of blackmail by their employers. The EU provided support to civil society organisations advocating migrants' rights.

Jordan participated in the new EuroMed regional projects Migration III, Police III, Justice III and Statistics III.

The National Committee to Combat **Human Trafficking** did not make any significant progress in implementing the National Strategy 2010-2012. In March, the Government approved by-laws under which it established shelters for victims of human trafficking.

In July, Jordan's **Anti Money-Laundering and Financing of Terrorism** Unit joined the Egmont Group as the ninth Arab member.

Jordan participated in the International Workshop on **Drug** Prevention and Monitoring: Situation and Perspectives in the ENP Southern Partnership countries organised by the European Commission and the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) under the auspices of the Cypriot Presidency, which took place in Cyprus in October.

Jordan and EU Member States further strengthened **judicial and police co-operation**. A preparatory project on justice reform was launched through the SPRING programme to support the consolidation of the judicial independence strategy. France provided training to several high-ranking officers of the Derak, the Jordanian Gendarmerie, on public order operations and helped restructure its organisational restructuring and human resources management. An EU funded project assisted Jordan in classifying inmates using internationally recognised criteria, and in introducing a health file for inmates. Another EU-funded project helped to draft a criminal justice strategy. A number of international conventions regarding family law, notably children, remained unsigned.

6. TRANSPORT, ENERGY, ENVIRONMENT, THE INFORMATION SOCIETY, RESEARCH AND INNOVATION

Regarding **transport**, Jordan cooperated with the Mediterranean Aviation Safety Cell (MASC) within the European Aviation Safety Agency (EASA) on regulatory convergence in the field of safety. Following improvements in compliance with safety standards, Jordanian aviation was removed from the list of air carriers whose operations are subject to operational restrictions within the EU. The first Joint Committee under the EU-Jordan Air Transport Agreement took place in January 2013. In January, Jordan extended the validity of the National Transport Strategy 2009–2011 to 2014. Regarding maritime transport, Jordan made progress in implementing standards on training, certification and watch keeping. As a

consequence, the EU recognised the Jordanian system of training and certification of seafarers. In November, a twinning project that aims to reverse a rising trend in the number of traffic accidents involving pedestrians was launched with the Jordan Traffic Institute.

Jordan's dependence on **energy** imports, the interruption of Egyptian gas imports and the associated increasing energy bill, continued to pose serious budgetary challenges in 2012. In May, the government raised electricity tariffs for several sectors although with limited impact on small households. In November, Jordan and Egypt reached an agreement to increase gas supplies. Jordan pursued efforts to reduce the energy bill including by diversifying energy supplies and reducing electricity imports. In September, Jordan agreed with Iraq on additional oil supplies, natural gas imports and the construction of an oil and gas pipeline. Jordan decided to construct a liquefied natural gas (LNG) terminal in Aqaba. It explored possible sources of LNG imports with countries including Qatar and Russia. It began to exploit domestic oil shale with a view to commencing production by 2016. Preparations for building a first nuclear power plant continued. There were delays in decisions on its site and the technology supplier. There was civil society opposition and in May the House of Representatives recommended stopping the project until all feasibility studies had been finalised. Several new electricity generation facilities were launched in 2012. In April, Jordan adopted the Renewable Energy and Energy Efficiency Law and in July the relevant bylaws, thus improving the investment climate in this area. In September, the government adopted an energy efficiency by-law aiming to reduce the energy costs of networks and public and private buildings. The EU renewable energy and energy efficiency programme (EUR 35 million), launched in December 2011, and the wind energy and solar concentrated power piloting project (EUR 10 million), supported reforms in these areas.

In the field of **climate change**, the Ministry of Environment conducted risk assessments and identified adaptation measures in areas such as health and food security. In July, Jordan joined the Climate and Clean Air Coalition to Reduce Short-Lived Climate Pollutants. Regional cooperation on climate change related water availability continued with the water authorities of Israel, the PA and Jordan. Jordan is encouraged to build capacity and engage in the new carbon market mechanism to be developed following the 17th and 18th sessions of the United Nations Framework Convention on Climate Change Conference of the Parties. With the support of the newly launched regional technical assistance project for climate change and related matters, Jordan is encouraged to devise a low-carbon development strategy. Additional efforts should be made to fully implement the Cancun and Durban agreements.

In the field of the **environment**, Jordan actively participated in ENPI financed regional projects namely the Sustainable Water Integrated Management (SWIM) project and those falling under the Horizon 2020 depollution initiative (the Mediterranean Environment Programme; and the Shared Environmental Information System support project led by the European Environment Agency). Under the pollution reduction project component of Horizon 2020, the integrated solid waste management project at Al-Ekaidar is one of the four leading projects of the Mediterranean Hot-Spot Identification Programme (MeHSIP) Project Preparation Implementation Facility (PPIF) financed under FEMIP and managed by the European Investment Bank (EIB).

Jordan actively participated in the **Integrated Maritime Policy** (IMP-MED) technical assistance project under the ENPI South programme.

In the area of **civil protection**, the flagship programme for Prevention of, Preparedness for, and Response to natural and man-made disasters (PPRD South) contributed to the

establishment of a regional framework of disaster management authorities that could intervene collectively in the event of disasters overwhelming the affected country. Indeed, sustainable development requires adequate disaster risk reduction efforts. Jordan is among the 168 governments that adopted in 2005 the "Hyogo Framework for Action: Building the Resilience of Nations and Communities to Disasters", which emphasizes the central role of disaster risk reduction for all development policies. However, work on Disaster Risk Reduction (DRR) and climate adaptation is only at the beginning and it will require considerable further support to develop capacities and processes. DRR policy is fostering dialogue with Civil Society and NGOs, thus contributing to a more sustainable democracy. Analysis of the regulatory and institutional frameworks started with the aim of strengthening capabilities and inter-ministerial coordination in the second phase of the programme.

There were no further developments with regard to strengthening the independence and administrative capacity of the **Telecommunications** Regulatory Commission (TRC). The EU continued to support the strengthening of the TRC through a twinning project. In November, Jordan adopted a policy on the Communications, Information Technology and Postal Sector. Jordan was preparing a National Information and Communication Technology Strategy for 2012–2016. The EU supported the development of this strategy.

With regard to **research** and **innovation**, in February, Jordan established a Competitiveness and Innovation Council under the Prime Minister's chairmanship. The EU's EUR 5 million support to the Research and Innovation Programme (helped to develop Jordan's applied scientific research and technological capacity, and to further integrate the country with the European Research Area (ERA) and the EU's Seventh Framework Programme for Research and Technological Development (FP7). Six Jordanian institutions participated in Marie Curie actions and four Jordanian researchers were subsequently recruited. As regards participation in the FP7, 24 Jordanian public and private institutions participate in 30 projects involving an EU contribution of EUR 55 million of which EUR 4.5 million went to Jordanian participating entities. Jordan participated actively in ERA WIDE projects, which aim to integrate neighbours into the ERA. Among the main areas of cooperation were environment and energy, health and ICT. A new platform to support bilateral cooperation was selected under the FP7 2012 Work Programme with the objective of promoting bilateral research and innovation cooperation in the context of the upcoming EU Horizon 2020 programme.

7. PEOPLE-TO-PEOPLE CONTACTS, EDUCATION AND HEALTH

The quality of **education** was constrained by changes in leadership, shortage of classrooms especially in urban areas, large numbers of students transferring from private to public schools and insufficient emphasis on knowledge-society skills. There was continued progress in education reform, with improvements in preschool and special education areas and the roll-out of a school-based development and improvement programme. The additional EU funding for education reform in 2012 (EUR 10 million, bringing total support to EUR 33 million) sought to expand primary education delivery in priority areas. The EU's contribution to UNICEF's Emergency Education Response for Displaced Syrian Children and Host Community in Jordan (EUR 10 million) started to provide education to vulnerable Syrian children along with children in host communities. In December, EUR 10.8 million was approved to expand access to educational, mentoring and other services for Syrian children, adolescents and youth; EU support also aimed to alleviate tensions in the communities and the camp.

Reform of the **vocational education and training** (VET) sector was limited, mainly due to funding and human resources constraints and a lack of coordination among VET providers. Jordan approved strategies on employment and career guidance. Based on the latter strategy, the Employment-Technical and Vocational Education Council prepared a VET awareness-raising campaign.

The Centre for Accreditation and Quality Assurance (CAQA) became fully operational; additional staff and equipment are needed. So far, occupational standards have been developed in six sectors and have been introduced in curriculum development. With European Training Foundation support, the CAQA assessed the state of play and future of vocational qualifications.

In the field of **higher education**, Jordan continued to participate actively in **Tempus IV**. In 2012, it was involved in 20 projects, which represents 18% of all accepted projects in the Southern Mediterranean region. Five new projects were selected, thanks in part to a significant increase in budgets for the Southern Mediterranean region. Tempus contributed towards the reform and development of higher education institutions and systems especially in the field of curriculum reform. Jordanian universities developed a number of new master's degree programmes in nursing, archaeological science, cultural heritage, water resources management and wireless telecommunications. Jordan benefitted from eight new scholarships for **Erasmus Mundus** Doctoral and Masters Courses and a further 188 mobility grants allocated within a university consortium. Three projects involving Jordanian universities were also selected in 2012 under Erasmus Mundus (so-called Action 3). Since 2007, six Jordanian researchers have benefitted from a **Marie Curie Action**, and six organisations located in Jordan participated.

Jordanian youth and youth organisations continued to benefit from the **Youth in Action** programme. In 2012, 113 young people and youth workers participated in the 39 projects selected under this Programme. Under the Euromed Youth IV programme, 7 projects involving 40 young people were selected.

With regard to **cultural** co-operation, projects under the **Euro-Med Heritage Programme** continued for the management of ancient theatre complexes, youth outreach and education and the promotion of cultural heritage. Under the Athena project, the Department of Antiquities successfully reached out to young people and the wider public to promote of ancient theatres for modern use. The EU, in partnership with the Jordan Enterprise Development Corporation, promoted Jordan's cultural and creative industries through mapping of the existing industry, supporting young entrepreneurs through training and providing European know-how. The Euro-Med Forum on Creative Industries and Society took place on 13-15 May in Jordan with the support of the EU Delegation. The European Film Festival and the Europe Day in Motion Dance Festival provided for cultural exchanges. Supported by the EU, Jordanian young people produced and screened films captured on mobile phones on the topic of 'Transition'.

Jordan continued implementing its **Health** Strategic Plan 2008-2012 and is preparing a new strategy. The lack of resources and the need to care for refugees put a strain on the health sector. To implement the Framework Convention for Tobacco Control, from January, Jordan began using larger pictorial warnings on cigarette packages. Jordan continued participation in the EU supported 'Episouth Plus' project aimed at increasing health security in the Mediterranean region and South East Europe. Jordan participated in a Commission/ European Centre for Disease Prevention and Control conference and training course aiming to

strengthen capacity building for communicable diseases prevention and control in the Mediterranean. The aim is to jointly explore the scope for developing a regional training programme on intervention epidemiology.