



### Project Summary Information

Date of Document Preparation: June 16, 2021	
<b>Project Name</b>	Inclusive Transparent and Climate Responsive Investments Program for Results (the Program)
<b>Document Code</b>	PD000482-JOR
<b>AIIB member</b>	The Hashemite Kingdom of Jordan
<b>Sector/Subsector</b>	Economic Resilience
<b>Status of Financing</b>	Under preparation
<b>Project Description</b>	<p>This Program supports the implementation of key elements of the 5-Year Reform Matrix and the corresponding indicative expenditure framework that strengthen the investment environment (including for tourism), make it climate responsive, and able to capitalize on emerging opportunities and untapped potential (including being better gender-informed). Implementation rests on the introduction of new or streamlined processes, clear roles and responsibilities, and on stronger feedback loops that support an enhanced accountability framework. The proposed Program consists of the following Result Areas (RAs):</p> <ul style="list-style-type: none"> <li>• RA1: Improving the accountability and fiscal space for public investment, including towards national climate goals.</li> <li>• RA2: Improving business enabling environment and the capacity of key institutions to attract private investment and climate finance, including for tourism sector.</li> <li>• RA3: Generating evidence and data for policy making, implementation and stakeholder dialogue.</li> </ul> <p>In particular, the Program supports:</p> <ul style="list-style-type: none"> <li>• implementing public investment management (PIM) and public-private partnership (PPP) reforms by: (1) supporting prioritization, appraisal, public consultation, and information disclosure in PIM (including PPP projects), (2) improving implementation, including the execution rate of capital projects, (3) introducing post-completion reviews, and (4) broadening the fiscal space for public investment;</li> <li>• improving the private investment environment and improving opportunities for private sector to support a climate responsive recovery and readiness to access external climate finance in transport, energy, water, and tourism, which will enhance Jordan's ability to attract climate investment to achieve its Paris Agreement goals;</li> <li>• strengthening the role of the Jordan Investment Commission as a promotion agency to attract and retain investments, and implementing the Investor Journey program to support domestic investments by reducing</li> </ul>

	<p>the regulatory burden (including removal of licenses and digitalization of business registration);</p> <ul style="list-style-type: none"> <li>• leveraging the full potential of the tourism sector to drive the Jordanian economy to a higher level of competitiveness and generate strong public and private investment flows; and</li> <li>• introducing systematic use of impact assessments for new and existing legislation, improving business and infrastructure service standards based on user feedback, and enhancing access to data for government entities, civil society and researchers to inform policy and project development, implementation, monitoring and evaluation.</li> </ul>
<b>Objective</b>	The objective of the Program is to improve accountability to foster climate responsive investments and growth during and after the COVID-19 pandemic. The Program will help Jordan capitalize on emerging opportunities for post-pandemic recovery particularly on green growth, private sector investment, and female labor participation.
<b>Expected Results</b>	<p>The Program is to improve accountability to foster climate responsive investments and growth, where: (i) investment includes both public and private sector investment; (ii) climate responsive investments refer to public sector and private sector opportunities in Jordan's NDCs and measured by the monitoring-reporting-verification system; and (iii) accountability rests on a framework of enhanced transparency and feedback loops that inform investment and policy decisions. The outcome indicators of the Program include:</p> <ol style="list-style-type: none"> <li>i. Increasing the share of capital expenditure in total budget spending.</li> <li>ii. Achieving progress towards Jordan's NDC and Paris Agreement goals.</li> <li>iii. Streamlining and digitizing business registration and licensing, and reducing the compliance time and costs for businesses.</li> <li>iv. Increasing accessibility and usability of statistical and administrative data.</li> </ol>
<b>Environmental and Social Category</b>	The proposed Program's environmental and social (ES) risks and impacts have been assessed in accordance with the WB's Policy on Program for Results. Since the proposed Program focuses on policy reforms and no physical investment activities are involved, it is expected that the Program will not entail significant ES impacts.

<b>Environmental and Social Information</b>	<p>The Project's Environmental and Social (ES) risks and impacts are to be assessed in accordance with the WB's Policy. AIIB's Environmental and Social Policy (ESP) was designed to apply to investment projects and has no provisions for its application to program for results operations or policy-based operations. Therefore, as permitted by a decision of the AIIB's Board of Directors, the WB's Policy will apply to this operation in lieu of AIIB's ESP. This will ensure a harmonized approach to addressing the ES risks and impacts of the proposed Program.</p> <p>The WB has categorized the ES risks of this Program as "Substantial" (which is similar to Category B if AIIB's ESP were applicable). As required under the WB's Policy, the Program excludes activities that are likely to have significant adverse ES impacts that are sensitive, irreversible, or unprecedented (similar to Category A if AIIB's ESP were applicable). An Environmental and Social Systems Assessment (ESSA), which involves assessing the country's systems for managing ES risks and impacts of the Program, has been conducted by the WB in accordance with its Policy. The ESSA is complemented by a Program Action Plan at the operational level. Jordan has adequate legislative coverage, policy guidelines, and institutional mechanisms in place for managing the environmental and social issues. Activities supported by the Program will strengthen investment accountability and pilot a few solutions for sustainable recovery from the impacts of the COVID-19 pandemic in Jordan. The WB has reviewed the specific policies under the Program to determine whether they are likely to have significant social and poverty consequences (especially on the poor and vulnerable groups) or to cause significant effects on the country's environment, forests, and other natural resources. The WB has determined that these policies are likely to have positive overall ES effects, as described in its Program Document.</p>			
<b>Cost and Financing Plan</b>	The expenditures of the proposed Program over 5 years are estimated to be USD1,213.5 million, of which the WB will provide USD500 million, and AIIB USD250 million. The government will provide counterpart financing in the amount of USD463.5 million.			
<b>Borrower</b>	The Hashemite Kingdom of Jordan			
<b>Implementing Entity</b>	Ministry of Planning and International Cooperation (MoPIC)			
<b>Estimated date of loan closing (SBF)</b>	June 2026			
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<b>Estimated Date of Concept Decision</b>	June 2021			
<b>Estimated Date of Appraisal Decision</b>	June 2021			
<b>Estimated Date of Financing Approval</b>	Q3 2021			

<b>Independent Accountability Mechanism</b>	<p>AIIB's Policy on the Project-affected People's Mechanism (PPM) addresses issues raised under AIIB's ESP, which does not apply to this operation. Submissions to the PPM under the Program would, therefore, not be eligible for consideration by the PPM. The WB's independent accountability mechanism addresses issues raised by persons adversely affected by a WB-financed operation and allows them to report alleged non-compliance with the WB's operational policies and procedures.</p>
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