



USAID Jordan Competitiveness Program Monthly Report #1 October 2013

Summary. The first month of JCP implementation was, not surprisingly, focused on the administrative aspects of project start-up including finding office space, recruiting for open staff positions and initiating procurements for project IT equipment. Though building the project's support capacity was ongoing throughout the month, significant progress was made on initiating technical implementation – including initial discussions on the team's approach to the first year's work plan, mobilization of JCP subcontractors McKinsey and Duke University (to start work in November), and initial meetings with key local counterparts such as Int@j and EDAMA. Finally, the JCP team also started planning for a formal project launch event on November 17 at the Intercontinental Hotel.

Administration and Management

Recruitment. Of the 48 total anticipated long-term positions on the team, only 7 were filled by staff that had remained with DAI throughout the lengthy proposal award process. The contract award delay has resulted in a greater than average recruitment challenge than would ordinarily be expected during start-up for a project of JCP's size and scope. Nevertheless, with the in-country support of a senior home office recruiter (Nicole Kehler), the team has made significant progress in filling a number of important open positions. Over the past month, the team interviewed 35 candidates for the following positions: Access to Finance Component Leader, Medical Services Sector Development Specialist, Clean Tech Sector Development Specialist, Supportive Enabling Environment Component Leader, Communications Specialist, M&E Specialist, Accountant, Director of Operations, Grants Manager, Grants Officer, Procurement Manager, Procurement Officer, Office Manager, and Driver(s). JCP received approval from USAID for two long-term positions, are awaiting salary approval for three more (Medical Services Cluster Sector Leader, Communications Officer, and Procurement Officer), and have five more ready for submission the first week of November. Seven ads were placed in *Akhtaboot* for administrative and finance positions, and one ad was placed in *Alrai* newspaper for the Director of Operations role, which has proven to be one of the more difficult positions to fill. Roughly 400 CVs have been reviewed for the various positions.

Operations. Phil Greiner, Start-up Systems Manager, arrived in Amman on October 1, 2013 to begin the operational start-up of JCP. Since then start-up of JCP has been progressing steadily, although activities slowed down during the Eid holiday week as many businesses in Jordan were closed during this period.

- **Office Space.** The first priority of the start-up team was to locate permanent office space. After investigating various options that included the former office of USAID/EDP, the team selected an office in the King Hussein Business Park (KHBP). The selection was made based on a variety of factors to ensure a best value for the project and the USG. Because of the size and significance of this procurement action, the justification details were shared with USAID for concurrence. JCP and the KHBP are in the final stages of negotiation of the lease and are expected to be able to move in the first week of November. KHBP will provide temporary



office space on the second floor of the same building for no charge immediately after the lease signing until the JCP office space is furnished, configured and ready for permanent use.

- **Employment Agreements.** JCP has worked with the DAI Human Resources department and their local attorneys at JC Law and to finalize both the unlimited duration and short-term consultant contracts to ensure the employment contracts used on JCP are compliant with Jordanian labor laws and limit employment related risks for DAI and USAID.
- **Information Technology Procurement.** JCP has procured the first phase of the IT equipment needed for JCP which is expected to be hand carried into Jordan in early November. Included in this phase are 12 laptop and 4 desk top computers. The larger second phase, which will be shipped into Jordan, is currently being procured and is expected to arrive in Jordan in late November. This shipment will include the project servers. A home office IT specialist should arrive in early December to set up all the IT functions of the JCP office.
- **Other Procurement.** The start-up team is currently investigating authorized code 000 vehicle options appropriate for the project and Jordan. The team is procuring rental vehicles until the project vehicles arrive, tracking the number of days of rentals to not exceed 180 day, per USG regulations.
- **Registration and VAT and other taxes Exemption.** The project is included on the list of U.S. Government (USG) Projects Exempt from Customs, Duties, Tariffs, Fees, Taxes and General Sales Tax as referenced in the Sales Tax Department's letter No. 5/4/3384 dated March 28, 2012 to the Minister of Planning and International Cooperation. This letter states that all equipment and services provided under USG-funded projects are exempt from all Government of the Hashemite Kingdom of Jordan customs, duties, tariffs, fees, taxes and general sales tax, though, it should be noted, JCP is listed in this letter under a different name. DAI will advise USAID promptly if it finds the name disconnect to be problematic. Due to an agreement between the GoJ and USAID, the project is not required to register as a business entity in the country.
- **Bank Accounts / Finance.** Power of Attorney documents arrived in late October and the team will soon be opening project bank accounts as well as setting up project finance policies and procedures. To this point the project has used start-up financial methods for their funding and cash needs.
- **Residential Leases.** Housing leases for JCP expat LTTA staff Alec Hansen and Michael Pillsbury have been finalized. Both staff members investigated numerous options to ensure the residences met their needs and provided a good value to the government. Mr. Pillsbury transitioned off TQSA on October 17 and Mr. Hansen is expected to do so the first week of November.
- **Upcoming.** Start-up has been moving steadily and rapidly forward, yet there is still an enormous amount of work to be done. The team is working on an IRM approval to submit to USAID. Over the coming weeks the start-up team will work on several procurements including



local staff health insurance. Staff will also be training newly on-boarded staff on procurement, finance and administrative procedures and policies to comply with all USAID/USG related regulations and laws.

Technical Implementation

Launch Event. The JCP Team, in close coordination with USAID Jordan, has scheduled a formal project launch event on November 17, 2013 at the Intercontinental Hotel from 12:30 to 6:00 pm. The purpose of the event is to formally announce the start of the USAID Jordan Competitiveness Program. The launch event is broken into two parts. Part one is a formal plenary session where key players in the business community plus other relevant project partners will be informed about the presence of the project, its purpose, the business sectors that the project will target and how the project plans to use its available tools to reach its ultimate objectives of increased employment, foreign direct investment and exports. Part two of the event will focus on introducing the project's "Network Concept," – what does Jordan's knowledge economy network look like today and what does it need to look like tomorrow to help Jordan operate at a higher level and to increase its international competitiveness. Sector specific breakout groups will discuss this vision and what is needed to make the vision a reality. In preparation for the event, the team has compiled an invitation list of about 300 persons, drafted invitations, contracted with a local event management firm to provide logistical support and is currently working to confirm and coach invited speakers and panelists.

Cluster Development Component

General Activities. The Cluster Component worked throughout the month to prepare for the first McKinsey team mission at the beginning of November. Tasks included:

1. Holding weekly planning and coordination Skype conference calls with the McKinsey team;
2. Compiling technical reports and documents related to Clean-Tech (including energy, water, and environment) for review by the McKinsey team prior to arrival;
3. Reviewing McKinsey's proposed stakeholder interview list and providing input to prioritize interviews based on the current local context;
4. Reviewing questions and discussion points proposed by the McKinsey team and providing answers and input.

Team A: Information and Communication Technology Sector (ICT)

Senior JCP project managers met with the leadership of Int@j on October 20, 2013. The purpose of the meeting was for Int@j to present its recently completed and adopted ICT sector strategy. Int@j has a significant number of well-planned or on-going initiatives that correspond to JCP activities in the areas of workforce development, diaspora engagement and intensifying industry-university linkages. These initiatives constitute a significant opportunity for JCP to begin early implementation efforts simultaneous with strategy development work.



Team B: Clean Technology

JCP Chief of Party, Alec Hansen and Clean Technology Sector Leader, Ruba AlZubi, attended an EDAMA-sponsored “Power Breakfast” on October 28. The event included a key note speech by HE the Minister of Energy and Mineral Resources (Dr. Mohammad Hamed) and a presentation from the Chief of Party of the recently awarded USAID Energy Sector Capacity Building (ESCB) project, Dr. Mary Worzala. Over 110 business leaders and representatives of various stakeholders in the clean energy sector attended the event. The event was a great opportunity for the JCP Team to meet and network with several key people in the clean-tech arena. Follow-up meetings will be pursued by the Clean-Tech Team. Coordination between JCP and ESCB projects will be maintained and the COPs expressed their full support to ensure strong collaboration as needed with the Clean-Tech Cluster Development activities and the relevant activities in the ESCB project (mainly capacity building and energy services company (ESCO) development). Copies of the presentations given at the breakfast can be found at: <http://www.edama.jo/Presentation.aspx?m=p&eventId=afe3d612-47b0-43f6-8979-f8e2bb9c42b6>.

On October 30, JCP staff participated in an energy management seminar sponsored by *Schneider Electric* and *SatchNet Electronic Systems*. The seminar gathered together owners and operators of large energy consumers in Jordan such as banks and hotels. The organizers presented their approach to designing intelligent integrated solutions to energy management for buildings. The event was a good chance for JCP staff to observe the level of technical competency in Jordanian companies/ESCOs and the potential demand among large, local private companies for such systems.

Team C: Medical Services

A Leader for the Medical Services Sector was recruited and proposed to USAID for approval the last week of October. JCP’s candidate received technical clearance and is awaiting rate approval. JCP anticipates that the Sector Leader will begin working full time with the project the first week of November. To help JCP prepare for the arrival of the McKinsey team, the proposed Sector Leader volunteered to gather statistics, sort and analyze data on health care, health care educational institutes and the health services work force. This research and data collection is needed for medicals services market analysis and health care segmentation efforts, which will be led by the McKinsey team.

Access to Finance Component

A Team Leader for the Access to Finance Component has been identified and salary negotiations are underway. Should these prove successful, JCP will submit the candidate for USAID review and approval.

Enabling Environment Component

A Team Leader for the Access to Finance Component has been identified and salary negotiations are underway. Should these prove successful, JCP will submit the candidate for USAID review and approval.



Workforce Development Component

The Workforce Development Component leader attended the presentation of the Higher Population Council's report, "Expected Supply and Demand on Technical and Vocational Education and Training (TVET) in Information and Telecommunication Technology (ICT) Occupations in Jordanian Labor Market (2013-2015)," at the Sheraton Hotel on October 30. The presentation was a useful introduction to some of the actors in the WFD sphere, especially at the vocational education level, and to some of the underlying data about the workforce challenges that Jordan faces.

Finally, JCP's CCN WFD staff will be on-boarded in November after the project moves from the DAI Corporate office premises to the KHBP office.