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# JORDAN FISCAL REFORM BRIDGE ACTIVITY

QUARTERLY REPORT: JANUARY – MARCH 2016

**APRIL 2016**

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# JORDAN FISCAL REFORM BRIDGE ACTIVITY

QUARTERLY REPORT: JANUARY – MARCH 2015

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## **DISCALIMER**

The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.



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# CHAPTER I: INTRODUCTION

## PROJECT DESCRIPTION

The Jordan Fiscal Reform Project Bridge Activity (JFRBA, or Bridge) is a 22-month contract signed between USAID and DAI that allows for continued support to the Government of Jordan to improve public financial management and increase the Kingdom's fiscal stability. JFRBA will consolidate and build upon Jordan's critical macroeconomic reform gains made over the last decade with a view to achieving robust and inclusive growth in Jordan. During the period of October 1, 2014 through July 31, 2016 (broken into the initial period of October 1, 2014-July 31, 2015—referred to hereafter as the “Bridge” and the “Extension” period of August 1, 2015-July 31, 2016), JFRBA has focused, and will continue to focus upon three Priority Areas, namely: enhancing policy advice and macroeconomic analysis (MOF); promoting public financial management by fully rolling-out and institutionalizing the Government Financial Management Information System (GFMIS); and building capacity to structure and vet public-private partnerships (PPP) by working with the PPP Unit established within the Ministry of Finance.

## PROJECT OBJECTIVES

JFRBA has a broad mandate to work with a wide range of institutions in support of fiscal and financial stability of the Kingdom. Within that, the project has minimum requirements that the project must deliver by July 31, 2016. They are:

- (1) Build capacity within MOF for research, economic policy, macro and fiscal forecasting techniques, medium term debt strategy, and results oriented budgeting.**
- (2) Operationalize the PPP Unit. JFRBA will continue supporting the newly established PPP unit within MOF to start its operations, specifically screening and structuring PPP transactions in accordance with the PPP Law.**
- (3) Roll out GFMIS to 100 percent of the central government budget and to pilot independent institutions.**

In addition to these essential requirements, the project also has seven objectives, around which we organize the staffing structure of our project. They are:

- (1) Improving effective policy analysis and execution
- (2) Improving efficiency of public resources through stronger Public Financial Management (PFM)
- (3) Implementing Monitoring and Evaluation methodologies within the GOJ
- (4) Enhancing revenue mobilization through improved revenue administration
- (5) Building Public Private Partnership capacity
- (6) Strengthening efficiency in trading across borders
- (7) Ensuring Jordan's foreign aid is better aligned with fiscal and economic reform objectives

The six JFRBA teams are the following:

- **Team A:** Tax Revenue Mobilization
- **Team B:** Public Financial Management
- **Team C:** Fiscal Policy and Ministry of Finance
- **Team D:** Customs Administration and Trade Facilitation

- **Team E:** General Financial Management Information System
- **Team F:** Public Private Partnerships

## **ORGANIZATION OF THIS REPORT**

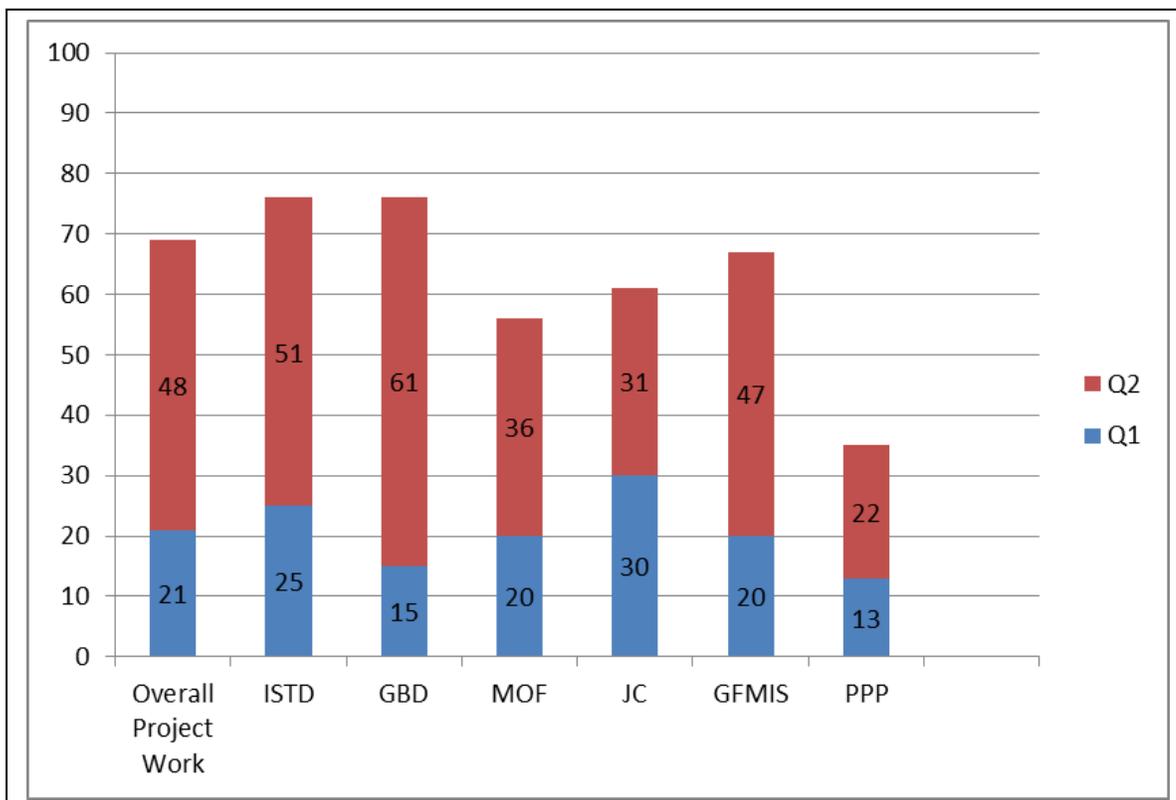
This report is organized into five chapters and includes six appendices. Chapter II, following the project overview and synopsis on the report's organization in this Chapter, presents details on each of the six teams. The six team sections discuss significant achievements and activities carried out during the quarter, in addition to work accomplished as compared to the JFRBA Work Plan. Chapter III provides a breakdown of each team, their respective annual indicators, and a status update on how far along each team is in achieving these indicators. Technical information about the project, namely use of funds during the quarter, and contract deliverables can be found in Chapters IV and V respectively.

# CHAPTER II: SUMMARY OF PROJECT OBJECTIVES AND RESULTS

## OVERALL PROJECT IMPLEMENTATION PROGRESS

Affecting project progress as a whole was the sudden request to remove embedded staff from ministries within a matter of days. This impacted the project’s ability to liaise with counterpart staff and coordinate on project activities significantly. In addition, the project operations team had to allocate time and financial resources to identifying a new office space for the previously embedded staff. The financial impact meant that decisions were made to cut other activities or procurements in order to support this new and unplanned cost. While the office was partly chosen due to its central location so that staff could easily travel to the ministries, there has been a noticeable decline in the responsiveness of counterpart staff with DAI staff now located off-site; most noticeably from the MOF. While some counterparts have continued to respond to our recommendations and continue on implementation and reform, these challenges have interfered in the efficiency in which we do our work. Namely, efficiency of time use with consultants was reduced due to the time it takes to organize logistics and having to go back and forth. In ISTD’s case, they were essentially regarded as “on-call advisors” due to their proximity to key senior staff within the counterpart. Although DAI staff is still sought after as such, they are unable to maintain this rhythm with the counterpart due to not being physically present.

**FIGURE 1: RATE OF PROJECT WORK IMPLEMENTATION**



## TEAM A: TAX REVENUE MOBILIZATION (AH)

### TEAM INTERMEDIATE RESULTS ASSIGNMENT

IR #3: Efficiency of Government of Jordan budgetary resources improved

- Sub-IR #1: Revenue performance improved

### SMART ANNUAL RESULTS

To achieve the long-term objectives below, the Income and Sales Tax Department (ISTD) team established the following list of annual result goals for the JFRBA project year. Here, we provide an update on the team's progress following each annual result measurement goal.

- Improved quality of tax audits in compliance with Audit Manual.

**Measurement:** Percentage of taxpayers audited, percentage of audits with no change, percentage of assessments with disapproval, percentage of assessments collected, automation of audit manual and accompanied change management, increased tax revenue from audits from 2015.

Second Quarter Update: JFRBA facilitated and technically supported the design, development and implementation of new tax audit procedures (Tax Audit Manual) and the automation of these procedures through the Audit Management System (AMS). Throughout the second quarter, the ISTD's IT directorate completed the programming of the AMS based on the technical specifications developed with JFRBA's support. The AMS was tested, necessary adjustments were made, and a roll out plan and AMS User Guide were developed.

- Improved taxpayer service for promotion of voluntary compliance

**Measurement:** Increased customer satisfaction with ISTD call center and single window service centers.

Second Quarter Update: Technical reports with recommendations were translated and presented to ISTD senior management. JFRBA team followed up on taxpayer service recommendations which the ISTD agreed to implement. These are related to restructuring of the taxpayer service function (relocating units and embedding taxpayer service specialists in LTO, MTO and STO offices), improving the pilot single window in regional service centers and initiating one for the LTO, and further developing taxpayer education programs.

- Create a performance management framework driven by results

**Measurement:** Number of ISTD assessors Tax Administration Diagnostic Assessment (TADAT)-trained, promoting the adoption of IMF's TADAT methodology, integration of monthly "Tax performance at a glance" reports.

Second Quarter Update: External TADAT assessment and draft report have been completed through joint support from IMF-METAC and USAID. Draft report was sent to TADAT Secretariat and is pending final approval. The ISTD will be making a decision on whether the final TADAT performance assessment report will be published.

- Clearly defined internal Strategic Planning function

**Measurement:** Integration of TADAT findings in the strategic plan.

Second Quarter Update: ISTD has been selected as a model department together with the Ministry of Health and Ministry of Education. Relevant Performance Budget Reporting workshop to support updating of the strategic plan is due on April 25.

- Improved Internal Analytical capacity

**Measurement:** Capacity to update TADAT assessment on an annual basis for internal purposes, use and update revenue forecasting model transferred to ISTD.

Second Quarter Update: 23 Jordanian officials from the ISTD (21) and the MOF (2) were TADAT-trained. The ISTD followed up by forming a TADAT committee composed of TADAT-trained officers from the ISTD who prepared for the TADAT external assessment. Their involvement in the TADAT assessment and their familiarity with the methodology will contribute to enhancing their ability to update the TADAT indicators on a periodic basis.

### **Key Highlights for the 2nd Quarter**

In collaboration with JFRBA, USAID Washington and the IMF's Middle East Regional Technical Assistance Center (METAC) performed the first TADAT assessment at the ISTD. The ISTD's cadre of TADAT-trained staff supported the assessment conducted by four external assessors and put to use skills learned in previous TADAT training sessions.

TADAT establishes a set of quality standards to be applied in conducting assessments and preparing reports. TADAT country assessments will contribute to efforts to strengthen tax administration, enhance revenue mobilization, improve service to taxpayers, and promote voluntary tax compliance

Collaboration between the ISTD and the JFRBA undertake recommendations for reform significantly improve during this quarter. For example, recommendations to the ISTD on improving the taxpayer service function had been pending for a long time. The ISTD leadership has responded positively to the recommendations which led to their decision to undertake the changes required in the taxpayer service are to improve service provided to support taxpayers to comply with their tax obligations. The ISTD will continue to work towards fully implementing recommendations in taxpayer service area.

### **Challenges**

Despite JFRBA's completion of AMS design and technical specifications, there were still challenges in the process. To illustrate, the deadlines and implementation dates in JFRBA's detailed action plan had to be re-scheduled because of the complexity in developing such a system, as well as the different actors involved in the process. Tasks did not always follow the order in which they were originally planned to happen causing a shift in their scheduling, and in some instances re-assignment of responsibilities. JFRBA was flexible by adapting to the changes in schedule, supporting needs to the extent possible to ensure that AMS development did not stall. JFRBA played a key role as facilitator in communication and integrating the stages required in the development of the AMS across the different directorates and divisions involved, which ultimately resulted in successfully achieving the development of the AMS.

## **TEAM B: PUBLIC FINANCIAL MANAGEMENT (AH)**

### **TEAM INTERMEDIATE RESULTS ASSIGNMENT**

IR #3: Efficiency of Government of Jordan budgetary resources improved

- Sub-IR #2: Budget execution improved, including a focus on promoting gender-responsive budgeting

### **SMART ANNUAL RESULTS**

To achieve the long-term objectives below, the GBD team established the following list of annual result goals for the JFRBA project year. Here, we provide an update on the team's progress following each annual result measurement goal.

- Enforced transparency, effectiveness, and efficiency in Budget preparation and implementation

**Measurement:** Monitoring, Review and Evaluation (MRE) system is developed.

Second Quarter Update: Development of the MRE framework is ongoing. JFRBA has played a vital role in establishing a dialogue platform around the design of the MRE system that has led to identification of issues that need to be addressed in order to implement a functional MRE system. These issues revolve around ministries and departments' performance budget reporting and KPIs.

- Strengthened capability to implement a fully operational MRE System

**Measurement:** Prepare a plan to automate MRE process to specifications developed with the GBD, and map out the requirements and timeline associated.

Second Quarter Update: Automation of the MRE was omitted from the work plan as it requires the fully implementation of the GFMIS.

- Reinforced Gender responsive budgeting concepts and techniques.

**Measurement:** One training course conducted to GBD staff and one training course conducted to a line ministry on GRB manual, including proposal to adopt 2-3 GRB key performance indicators.

Second Quarter Update: GRB workshop to pilot ministries is schedule to be delivered on April 11. KPI Workshop delivered in January provided pilot ministries with refined KPI options and gender KPIs for inclusion in the 2017 budget.

### **Key Highlights for the 2nd Quarter**

The General Budget Department, with the support of JFRBA, released the Public Expenditure Perspectives (PEP) 2015 Report. The report is the result of evidence-based analysis by a team of American and Jordanian experts and assesses four key economic sectors: Education, Health, Electricity, and Water.

PEP 2015 is the second joint effort by the General Budget Department and JFRBA to evaluate the budgetary effect of Jordan's economic drivers. The first report was completed in 2011. PEP 2015 analyzes how government resources produce the services that the people of Jordan need most, and how those services can be most effectively and efficiently delivered.

These recommendations support the goals of *Jordan 2025: A National Vision and Strategy* as well as USAID's objectives of strengthening the Government of Jordan's public finances, creating a more results-oriented budget, and modernizing fiscal planning. The United States government, through the United States Agency for International Development (USAID), has provided foreign assistance from the American people to Jordan for more than 60 years.

### **Challenges**

Designing and implementing an MRE system tailored to a specific country is always a complex and continuous learning process. It requires designing a framework, developing the approach, identifying and addressing key issues related to performance data and reporting, supporting continuous testing of the approach, aligning organizational structures and cultures in support of performance management, as well as implementing incentive structures and capacities in various government agencies. The implementation of a fully-fledged MRE system has been hindered due to the following issues:

- Lack of existing GOJ KPIs that meet the necessary criteria;
- Weaknesses in performance information management and reporting that takes place in the ministries and departments, including the lack of linkages to national objectives and program level KPIs;
- Lack of annual performance plans that lay out program KPIs with quarterly and annual targets and a plan on how to achieve these; and

- Lack of operational plans in departments and units that lay out programs' logical framework with vital performance and financial information on activities that support the implementation of budget programs.

All of these from that backbone of performance information management and budget reporting which is critical input for supporting the M&E system.

## TEAM C: FISCAL POLICY AND MINISTRY OF FINANCE (PA)

### TEAM INTERMEDIATE RESULTS ASSIGNMENT

IR #3: Efficiency of Government of Jordan budgetary resources improved

- Sub-IR #2: Budget execution improved, including a focus on promoting gender-responsive budgeting

### SMART ANNUAL RESULTS

To achieve the long-term objectives below, the MOF team established the following list of annual result goals for the JFRBA project year. Below please find an update on the team's progress following each annual result measurement goal

- Delivery of fiscal policy analysis on request by the Ministry's senior management;

**Measurement:** Five analytical and policy reports produced.

Second Quarter Update: Three reports produced, one by JFRBA staff, two by MOF staff.

- Support planning for implementation of the JFRBA International Public Sector Accounting Standards (IPSAS) Project plan;

**Measurement:** mapping of IPSAS implementation requirements developed and delivered to the Ministry's senior management, number of MOF staff trained.

Second Quarter Update: Assessed the standing of the roadmap and future steps and provided necessary recommendations to the MOF in order to ensure that the implementation process is on track

- Support compliance with IMF conditionality in terms of economic modeling and reporting;

**Measurement:** Variance between Studies & Economic Policies Department (SEPD) economic models and IMF models minimal.

Second Quarter Update: Took steps to ensure models are consistent with IMF models; work is ongoing to close the gap as much as possible

- Solidify and strengthen sustainable modeling capacity at the SEPD;

**Measurement:** Two quarterly policy briefs produced by SEPD analysts as a proof they can both use models and manipulate assumptions on their own.

Second Quarter Update: A total of five workshops were held to build SEPD and ISTD's staff's capacity to update and run the macro-fiscal model and the revenue model. SEPD staff continues to working on the model to improve their skills in using the models. SEPD staff has not yet produced Policy briefs on the models since a formal MTF process has not been resumed and is pending higher level decisions. SEPD staff continues to lack the time resources to commit to fully owning the economic models. In response to this challenge JFRBA delivered a detailed action plan to promote the sustainability of economic analysis at the MOF and SEPD to senior management at the MOF. Decisions on this action are still pending.

## Key Highlights for the 2nd Quarter

The Ministry of Finance, with support from JFRBA, conducted the first of three revenue model brainstorming workshops for ministry and ISTD staff. The workshop reviewed the relative merits of commonly-used approaches to revenue forecasting under current tax policy and examined methods for making baseline forecasts. Participants discussed the risks of making projections using historical tax data and how to adjust baseline tax forecasts for changes in policy that may happen in the future.

## Challenges

MOF staff was largely unavailable to attend economic modeling workshops due to time availability constraints and therefore the workshops were delayed more than once. JFRBA took the decision of scheduling the workshops based on ISTD staff availability and inviting MOF staff to attend if available. After a visit to senior management at the MOF to encourage the SEPD staff participation and taking the approach of proceeding with scheduling workshops resulted in satisfactory attendance from the ISTD and MOF staff on revenue modeling and macro-fiscal modeling workshops.

## TEAM D: CUSTOMS ADMINISTRATION AND TRADE FACILITATION (AH)

### TEAM INTERMEDIATE RESULTS ASSIGNMENT

IR #1: Private sector competitiveness increased

- Sub-IR #3: Environment of doing business improved

### SMART ANNUAL RESULTS

To achieve the long-term objectives below, the JC team established the following list of annual result goals for the JFRBA project year. Below please find an update on the team's progress following each annual result measurement goal:

- Promote and Expand the National "Golden List"

**Measurement:** Number of new national "Golden List" members

Second Quarter Update: The Risk Management Technical Committee (RMTTC) worked in coordination with JFRBA to establish the National Golden List program for all partner government agencies (PGAs) under the Single Window. The National Golden List criterion was set and is currently being approved by PGA officials in order to be provided to all companies. JC has also announced the addition of three Golden List members, increasing the total number of members to 57 companies.

- Facilitate Trade by consolidating risk management of Customs and all PGAs

**Measurement:** reduced processing time, and reduced number of procedures.

Second Quarter Update: The Time Release Study (TRS) was finalized during the second quarter, and the process is currently pending the JC DG's final approval. According to the TRS, Customs processing time has been reduced to 7.72, resulting in higher levels of processing efficiency and enhanced trade facilitation.

- Improve Risk Management Capacity

**Measurement:** Increased utilization of Risk Management in PGAs, increased efficiency of red lane declarations for both Jordan Customs and PGAs.

Second Quarter Update: The Red Lane declaration efficiency increased to reach 37.99%, where percentage of identified non-compliance cases is now 38.88%.

## **Key Highlights for the 2nd Quarter**

With the support of JFRBA, the Jordan Customs Department earned the internationally-recognized ISO 27001 Certification in recognition of significant reforms to its information security management system. An information security management system (ISMS) is a set of policies concerning information security management or IT-related risks. Jordan Customs worked side by side with JFRBA in order to conduct an accurate assessment of its ISMS infrastructure and to develop an action plan for implementing necessary changes to improve its management.

These reforms were put into place with the objective of improving the integrity of computerized information systems and linking them to standardized performance indicators. JFRBA provided support in re-organizing tasks and responsibilities in order to meet the ISO 27001 certification standards and assisted in the development of evaluation and control mechanisms. The certification is a reflection of the significant changes Jordan Customs has enacted. The improved information security regime will prevent illegal conduct and establish a solid base for the safety and security of systems and information.

## **Challenges**

### World Bank Doing Business 2017 Survey Completion

JC's participation in The World Bank Doing (WB) Business 2017 report imposed some scheduling issues on the component, where STTA Mohammad Said, who conducted the surveys in previous years, was unable to commit to the timeframe. Previous Component Lead Mazen Abu Alghanam was also unable to offer his contribution because he was leaving the project. JC officer Jafar Barham therefore applied for the primary contributor position for the survey, but his approval faced some delays which led to the official request of a deadline extension for the survey from the WB, explaining that the delay has halted Jafar's travel arrangements to Aqaba in order to meet with the involved parties and obtain all relevant information. An additional deadline extension was requested later on upon finding out that some Jordan Customs entities and Partner Governmental Organizations in Aqaba were currently changing their location to the Fourth Yard. Employees were therefore preoccupied with the moving process and were unable to contribute to the survey for another 14 days. The survey is therefore yet to be submitted in the first week of May.

### ISO 27001 Training

The ISO 27001 is conducted twice a year in the months of December and June. During December 2015, the ceiling increase was not yet granted to the Component, which resulted in budgetary issues that were not previously accounted for. The training therefore had to be cancelled during that month with hopes of conducting it in the month of June 2016.

It was later on discovered that postponing this activity to June results in scheduling conflicts with the project close-down. This issue came in addition to having the training auditing process in August 2016, which wouldn't be possible due to the fact that JFRBA will close down in July 2016.

The delay in the approval of DAI's obligation to ceiling also resulted in a trickle-down effect to DAI's subcontract Nathan, where their ceiling was not able to be increased due to a lack of funding. As a result, some trainings and technical assistance, like the ISO 27001 training above, have been delayed or canceled, as the delay in funding meant that critical implementation time was lost waiting for additional funding.

## **TEAM F: GOVERNMENT FINANCIAL MANAGEMENT INFORMATION SYSTEM (PA)**

### **SMART ANNUAL RESULTS**

To achieve the long-term objectives below, the GFMIS team established the following list of annual result goals for the JFRBA project year. Below please find an update on the team's progress following each annual result measurement goal.

- Upgrading and implementing GFMIS in 100% of central budget institutions

**Measurement:** Percentage of budget institutions using GFMIS and the percentage of budget reported through the GFMIS

Second Quarter Update: GFMIS rolled out and implemented in five new sites. This brings the percentage of central budget institutions with GFMIS up to 91%

- Building a Capable Ministry of Finance Team that can run the GFMIS effectively

**Measurement:** Number of technical trainings given with evaluated competencies

Second Quarter Update: Oracle Development Training was held from February to March. This training served as ongoing support to the institutions in which GFMIS has already been implemented.

- Providing ongoing support to the institutions that are using the GFMIS

**Measurement:** Number of budget institutions that have been evaluated and upgrade the help desk system.

Second Quarter Update: This activity has been canceled due to time and budgetary constraints.

- Start implementing GFMIS in independent institutions

**Measurement:** Implementing the GFMIS in one independent institution, and taking steps to convert from cash to accrual basis accounting

Second Quarter Update: JFRBA team is conducting a preliminary accrual basis financial reporting assessment in close coordination with GOJ's GFMIS unit staff.

### Key Highlights for the 2nd Quarter

The Ministry of Finance, with the support of USAID and JFRBA, implemented the Government Financial Management System (GFMIS). Use of the GFMIS by the Government of Jordan will strengthen financial management by providing accurate, comprehensive, and timely information to decision makers and increase transparency of public financial data.

The GFMIS, a computerized financial and accounting network, links the Ministry of Finance with the Central Bank, the General Budget Department, the Income and Sales Tax Department, and the Financial Analysis System (DMFAS) as well as all government ministries, departments, and regional financial centers. The GFMIS acts as the central hub in this complex network and ensures that all public resources and transactions are properly accounted for, monitored, and controlled in real time.

### Challenges

JFRBA's team was well aware of the vendor's delays in completing the time-sensitive tasks as the action plan's timeline approached July 2015, and informed the vendor of the need to speedily rectify the situation through meetings and written warnings. However, it became evident to JFRBA that the vendor did not have sufficient human resources or technical capacity to meet the upgrade requirements in a matter that would ensure proper migration of the new system. More importantly, JFRBA was also aware that a more technically sound option would be commissioning another vendor to resolve the outstanding issues. However, that was not a feasible option due to the following factors:

- Hiring another vendor would have taken a considerable time given the specific nature of the procurement from technical and financial perspectives

- The outcome of the initial procurement clearly showed that the local market had very few vendors with the right qualifications for the GFMIS task. Meaning, floating the procurement one more time in the local market would have offered little value in terms of landing more qualified vendors.

- PST had already invested time, and human & financial capital in resolving the available system's existing problems, and in ensuring timely upload of the new hardware. Therefore, from a financial standpoint, it would have been very costly to ask another vendor to allocate similar resources to carry out the tasks at hand, especially when local best practices show that IT vendors do not usually overlap when it comes to handing-over tasks, and/ or completing ongoing assignments

## **TEAM G: PUBLIC PRIVATE PARTNERSHIPS (PA)**

### **TEAM INTERMEDIATE RESULTS ASSIGNMENT**

IR #3: Efficiency of GOJ budgetary resources improved

- Sub-IR # 3: Public-private partnerships developed

### **SMART ANNUAL RESULTS**

To achieve the long-term objectives below, the PPP team established the following list of annual result goals for the JFRBA project year. Here, we provide an update on the team's progress following each annual result measurement goal.

- Develop a PPP outreach strategy that delivers key messages to the public;

**Measurement:** An outreach strategy is developed.

Second Quarter Update: Outreach strategy document completed; was submitted and approved by the PPP Unit.

- Develop a PPP unit website and a PPP database;

**Measurement:** A website is developed with a database of potentially viable projects.

Second Quarter Update: Website development and content complete. MOF and JFRBA staff received necessary training; National Information Technology Center (NITC) approval for hosting was attained

- Build capacity of the PPP unit to support Contracting Authorities;

**Measurement:** Provide a program of technical training, and oversee two contracting authorities' work to structure 1-2 PPP transactions using the PPP Guidebook.

Second Quarter Update: A "project proposal form" was developed to initiate project registration with the PPP Unit and Council. This tool will be used to identify the need for further studies and analysis before starting the procurement process for any suggested project. A PPP council approval was obtained to move forward with two projects in the environmental sector. Terms of Reference for retaining transaction advisors were developed by the Ministry of Environment and reviewed by the Unit with our assistance. The next steps would be to proceed with procurement to hire the advisors and initiate Feasibility Studies for both projects

### **Challenges**

Achieving the tasks laid out in the PPP plan was and continues to be contingent on the ability of the PPP unit within the government to hire staff whose capacity would be built, through project support, to conduct screening and analysis of potential PPP transactions. With the inability of the government to hire qualified PPP staff, the completion of the PPP transaction related tasks were not possible to achieve in a sustainable fashion. Nevertheless, and despite the staffing limitations on the side of the MOF, the project made a significant effort, by being adaptable and flexible, to identify windows of opportunity to further advance in PPPs.



# CHAPTER III: PROGRESS TO DATE BASED ON RESULTS INDICATORS

Working with a host of government institutions (MOF, GBD, JC, line ministries, tax and customs administrations, among others), JFRBA applies a “whole-of-government” approach to foster innovative, responsive, and efficient government, whether through better provision of health care services, better targeted cash assistance to the poor, or simply smarter spending. Collectively, these improvements enhance government effectiveness, improve the business environment, and create the conditions necessary to attract new investments, create jobs, spur economic growth, and improve Jordanians’ standard of living.

## MONITORING AND EVALUATION (M&E)

The JFRBA Performance Management Plan and related Activity Monitoring and Evaluation Plan (AMEP) are integral parts of the full Performance Management Cycle that ensures that project objectives are consistently being met in an effective and efficient manner. Together they guide JFRBA activity design with consideration for the following components:

- USAID F-Indicators which are outlined in the Mission Performance Management Plan.
- JFRBA project management indicators; used to internally manage different project activities.
- All JFRBA indicators as requested by the contract’s Scope of Work.

JFRBA’s AMEP reports are shared with the teams and discussed with counterparts to enhance decision making and to ensure activities are implemented as closely in accordance to the proposed work plan as possible. They are also used as internal tools to learn about the progress of certain activities and aid in future organizational decisions. Additional gender sensitive indicators may be added after the completion of a gender analysis. All relevant data will be disaggregated by sex.

## JFRBA PERFORMANCE INDICATOR TARGETS

### OBJECTIVE 1: IMPROVING EFFECTIVE POLICY ANALYSIS AND EXECUTION

Ref	Performance Indicator	Measurement Frequency	Data Source	Baseline	JFRBA Y1 Target	JFRBA Q2 Actual	Comments
C2.B	Number of MTDS recommendations implemented within MOF	Annually	MoF	0	4	0	Waiting for ministerial committee approval on the new MTDS. It’s worth mentioning that the previous strategy recommendations are not far away from the new one, meaning that the MOF is still working in line with our recommendations namely diversifying debt tools like Sukuk issuance and extended debt maturity

Ref	Performance Indicator	Measurement Frequency	Data Source	Baseline	JFRBA Y1 Target	JFRBA Q2 Actual	Comments
C3.B	Number of staff trained in international accounting standards	Annually	MoF	0	30	35	
C4.a.B	Number of analytical reports and policy papers issued	Quarterly	MoF	0	2	1	
C4.b.B	Number of analytical reports produced solely by MOF staff	Quarterly	MoF	0	3	2	
C5.B	Number of users with dashboard installed	Quarterly	MoF	0	15	0	Finalized the BI, but dissemination is delayed due to the administrative process to force the staff to adopt the new system.
C6.B	Percentage of women participants in training	Quarterly	MoF	39%	45%	22%	
C7.B	Percentage difference between GOJ 2015 actual and forecasted revenues	Quarterly	MoF	5%	3%	N/A	

## OBJECTIVE 2: IMPROVING EFFICIENCY OF PUBLIC RESOURCES THROUGH STRONG PUBLIC FINANCIAL MANAGEMENT

Ref	Performance Indicator	Measurement Frequency	Data Source	Baseline	JFRBA Y1 Target	JFRBA Q2 Actual	Comments
F1.B	Percentage of budget institutions in which GFMS has been implemented	Quarterly	MOF	75.7%	100%	91%	Implementation pending completion of installation and migration process
F2.B	Percentage of the central government's budget reporting through GFMS.	Quarterly	MOF	83.8%	100%	90%	
F5.B	Number of reports issued by MOF staff using Business Intelligence (BI)	Quarterly	MOF	0	1	1	
F6.B	Implement GFMS at an independent	Quarterly	MOF	0	1	0	Pending IRM approval to purchase necessary server

Ref	Performance Indicator	Measurement Frequency	Data Source	Baseline	JFRBA Y1 Target	JFRBA Q2 Actual	Comments
	institution						
F8.B	Percentage of women participants in training	Quarterly	MOF	28%	35%	-	No training sessions were held in first quarter
F9.B	Number of video tutorials	Quarterly	MOF	0	7	0	Canceled due to budgetary constraints
F10.B	Operational plan to transition GOJ from cash to accrual basis accounting	Annually	MOF	No	Yes	No	Plan completed and pending approval from steering committee
F11.B	Upgrade software	Annually	MOF	No	Yes	Yes	

### OBJECTIVE 3: IMPLEMENTING MONITORING AND EVALUATION METHODOLOGIES

Ref	Performance Indicator	Measurement Frequency	Data Source	Baseline	JFRBA Y1 Target	JFRBA Q2 Actual	Comments
B1.a.B	M&E framework is developed	Quarterly	GBD	No	Yes	No	In progress
B2.B	Include standardized M&E forms in Budget Circular	Quarterly	GBD	No	Yes	No	Pending DG approval
B3.B	Budget KPIs for pilot ministries assessed and revised	Annually	GBD	No	Yes	Yes	Completed
B5.B	Gender responsive budgeting piloted in target line ministry	Annually	GBD	No	Yes	No	In progress
B7.B	Percentage of women participants in training	Quarterly	GBD	22%	30%	13%	No training sessions took place in the second quarter

### OBJECTIVE 4: ENHANCING REVENUE MOBILIZATION THROUGH IMPROVED REVENUE ADMINISTRATION

Ref	Performance Indicator	Measurement Frequency	Data Source	Baseline	JFRBA Y1 Target	JFRBA Q2 Actual	Comments
A1.B	Incorporate 2015 TADAT methodology into	Annually	ISTD	No	Yes	No	The TADAT assessment report has been delivered to ISTD Compliance risk plan has been

	strategic planning						proposed by the Project. ISTD has been selected as a model department for ROB. A workshop in this respect has been conducted.
A2.B	Number of directorates that adopted performance management reports	Quarterly	ISTD	0	3	0	Now that the TADAT external assessment has been complete, training will commence. Performance management reports will be completed after training has been delivered.
A3.B	Degree to which new tax audit procedures are implemented	Quarterly	ISTD	0	10	0	ISTD auditors have been trained on the new manual audit procedures. However, auditors are more inclined to use automated procedures rather than manual procedures. Once AMS training is completed, AMS will be made mandatory in LTOs and then rolled out across ISTD on the medium term.
A5.B	Conduct public private dialogue forums	Quarterly	ISTD	0	2	1	One has been conducted with the Jordan Strategic Forum.
A6.B	Taxpayers audited	Quarterly	ISTD	33%	15%	15%	Maintained
A7.B	Audits with no change in tax liability	Quarterly	ISTD	70%	50%	40%	Lower percentage in the LTO, around 30%
A8.B	Assessments of audits with disapproval	Quarterly	ISTD	TBD	TBD	N/A	Traditionally, both ISTD management and staff view audit performance in terms of quantity (how many cases closed) rather than quality (no change rate and disapproval rate). The new AMS system will provide ISTD audit management with MIS reports that focus on the quality of audits
A9.B	Audit assessments collected	Quarterly	ISTD	TBD	TBD	N/A	TBD
A10. a.B	Tax revenue	Quarterly	ISTD	3.3 billion JOD	3.88 billion JOD	4.096 billion JOD	Increased in 2015, exceeded the target
A10. b.B	Income tax revenue as a percentage of GDP	Quarterly	ISTD	3%	3.3%	3.3%	The latest MOF Fiscal Bulletin does not include GDP for the full year of 2015. So this percentage cannot be accurately calculated now
A11. B	Overall debt ratio	Quarterly	ISTD	60%	55%	54%	According to the TADAT assessment
A12. B	Percentage of women participants in training	Quarterly	ISTD	25%	30%	23%	
A13. B	Number of TADAT certified ISTD ad MOF officials	Annually	ISTD	0	10	23	No change
A14. B	ISTD IT Strategy Review completed	Annually	ISTD	No	Yes	Yes	Completed

A16.B	Revised business process and taxpayer services operational plans	Annually	ISTD	No	Yes	Yes	Complete
A17.B	New audit manual integrated into the automated audit management system AMS		ISTD	No	Yes	Yes	Complete
A18.B	Revised tax arrears collection procedures		ISTD	No	Yes	No	Pending

#### OBJECTIVE 6: BUILDING PUBLIC PRIVATE PARTNERSHIP CAPACITY

Ref	Performance Indicator	Measurement Frequency	Data Source	Baseline	JFRBA Y1 Target	JFRBA Q2 Actual	Comments
G2.B	Establish PPP Guidebook	Annually	PPP Unit	No	Yes	No	Extensive efforts and due diligence went into the preparation of the PPP Regulation. This included drafting, review, translation, and communication with relevant stakeholders and international partners. The PPP regulation was approved by the Council of Ministers and passed in the official gazette on 2 <sup>nd</sup> November, 2015.
G3.B	PPP Outreach Strategy	Annually	PPP Unit	No	Yes	Yes	
G4.B	A PPP Website is developed	Annually	PPP Unit	No	Yes	No	Content complete, National Information Technology Center (NITC) approval for hosting was attained; will go live in April

#### OBJECTIVE 7: STRENGTHENING EFFICIENCY IN TRADING ACROSS BORDERS

Ref	Performance Indicator	Measurement Frequency	Data Source	Baseline	JFRBA Y1 Target	JFRBA Q2 Actual	Comments
D1.B	Number of new national Golden List participants/ Number of Jordan Customs Golden List Participants	Quarterly	JC	0/54	10/59	10/57	
D2.B	Conduct public private dialogue forums	Quarterly	JC	0	3	1	
D3.B	Customs processing time	Annually	JC	9.5	8.5	7.72	The TRS has been finalized and is currently pending the JC DG's approval.
D5.B	Percentage of red-laned declarations	Quarterly	JC	35%	38%		

	where infractions or non-compliance is discovered					38.88%	
D7.B	Percentage of women participants in training	Quarterly	JC	16%	25%	13.5%	Two ToT sessions were held during January and March
D8.B	Complete technical work for ISO 27001 certification	Annually	JC	No	Yes	Yes	
D9.B	PAP & SW implementation at Aqaba Passengers Station Customs Center	Annually	JC	No	Yes	10/57	

## USAID FOREIGN ASSISTANCE INDICATORS

Ref	Performance Indicator	Measurement Frequency	Data Source	JFRBA Y1 Target	JFRBA Q1 Actual	JFRBA Q2 Actual	Cumulative
1.4.1.c	Person hours of training completed in fiscal policy and fiscal administration supported by USG assistance	Quarterly	Project Records	6,525	1,989	878	2,867
1.4.1.c.1	Number of men	Quarterly	Project Records	4,894	1,605	650	2,257
1.4.1.c.2	Number of women	Quarterly	Project Records	1,631	384	228	612



# CHAPTER V: CONTRACTUAL UPDATES

## CONTRACT MODIFICATIONS

A contract modification was awarded obligate the remaining funds to the contract ceiling, increasing it from the current obligation of \$7,246,039.80 to \$9,692,076.61.

## DELIVERABLES COMPLETED THIS QUARTER

The following deliverables were submitted to USAID during the reporting period by the stipulated due date:

Deliverable	Date Submitted	Date Approved
Quarter 1 Financial and Technical Report	10/21/2015	2/11/2016
Extension PMP/AMEP		

## PROJECTED USAID APPROVALS, WAIVERS OR DEVIATION REQUESTS ANTICIPATED DURING THE NEXT QUARTER

The project currently has the following approvals, waivers or deviation requests **outstanding** as of 25 April 2016:

Deliverables
Q4 Technical and Financial Report (Submitted 10/21/2015)
Extension Work Plan (Final Revision Submitted 9/16/2015)
Q3 Technical and Financial Report (Submitted 07/14/2015)
Q1 Technical and Financial Report (Submitted 02/09/2015)
Personnel, Technical and/or Initial Rate Approval
N/A
Other
Ceiling Increase Request for Nathan Associates (submitted 4/12/2016)

The project is expecting to submit the following approvals, waivers or deviation requests:

Deliverables
JFRBA Final Report
Personnel Technical and/or Initial Rate Approval
Select IRM requests
Other

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Customer Service Unit Procurement Approval Request

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# APPENDIX A: GLOSSARY OF ACRONYMS

AB	Audit Bureau
AH	Ad Hoc (programmatic support)
AMEP	Activity Monitoring and Evaluation Report
AMS	Audit Management System
ASYCUDA	Automated System for Customs Data
BI	Business Intelligence
CCO	Customer Care Officers
DAI	Development Alternatives, Inc.
DG	Director General
DO	Development Objectives
GBD	General Budget Department
GDP	Gross Domestic Product
GFMIS	Government Financial Management Information System
GOJ	Government of Jordan
GRB	Gender Responsive Budgeting
ICT	Information and Communication Technology
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
IR	Intermediate Result
ISMS	Information Security Management System
ISTD	Income and Sales Tax Department
IT	Information Technology
JC	Jordan Customs
JFRBA	Jordan Fiscal Reform Bridge Activity
KPI	Key Performance Indicator
LTO	Large Taxpayer Office
LTTA	Long-Term Technical Assistance
M&E	Monitoring and Evaluation

MOE	Ministry of Education
MOF	Ministry of Finance
MOH	Ministry of Health
MOPIC	Ministry of Planning and International Cooperation
MRE	Monitoring, Review, and Evaluation
MTDS	Medium Term Debt Strategy
MTO	Medium Taxpayer Office
NITC	National Information Technology Center
PA	Priority Area (of programmatic support)
PEP	Public Expenditure Perspectives
PFM	Public Financial Management
PGA	Partner Government Agency
PPD	Public Private Dialogue
PPP	Public-Private Partnership
RMTC	Risk Management Technical Committee
ROB	Results-Oriented Budgeting
SBA	Stand-By Arrangement
SEPD	Studies & Economic Policies Department
SMART	Specific, Measurable, Achievable, Relevant, Time Related
STO	Small Taxpayer Office
STTA	Short-Term Technical Assistance (Advisor)
SW	Single Window
TADAT	Tax Administration Diagnostic Assessment Tool
TAMIS	Technical and Administrative Management Information System
ToT	Training of Trainers
TRS	Time Release Study
USAID	United States Agency for International Development
WB	World Bank
WCO	World Customs Organization

# APPENDIX B: JFRBA PERFORMANCE INDICATORS TRACKING TABLE

Ref	Indicator	Objective	Component	Frequency	Unit of Measure	Data Source	Type	Definition	Justification/Management Utility	Baseline	JFRBA-PY2015 (*: results made available in July 2015)	
											Target	Actual
A1.B	Incorporate 2015 TADAT methodology into strategic planning	4	ISTD	Annually	Yes/No	ISTD	Outcome	The externally led IMF TADAT assessment to be performed in early 2016 will serve as input for updating the ISTD strategic plan	Enables ISTD to measure institutional performance and to easily identify areas for improvement	No	Yes	No
A2.B	Number of directorates that adopted performance management reports	4	ISTD	Quarterly	Number	ISTD	Outcome	Using TADAT reports as basis, identify KPIs that can be incorporated into the performance framework of ISTD.	Enables ISTD to monitor and evaluate auditors performance regarding audit productivity; therefore increasing productivity	0	3	0
A3.B	Degree to which new tax audit procedures are implemented	4	ISTD	Quarterly	Number	ISTD	Outcome	Number of offices using the new audit manual adopted by unit.	Audit manual enables field officers improve audit productivity by following intl. best practices to enhance transparency and facilitate audit procedures	0	10	0
A5.B	Conduct public private dialogue forums	4	ISTD	Quarterly	Number	ISTD	Output	Number of awareness forums conducted amongst key stakeholders and the relevant target audience	PPD forums will raise awareness on tax policy best practices and tax reform efforts taking place in Jordan	0	2	1

Ref	Indicator	Objective	Component	Frequency	Unit of Measure	Data Source	Type	Definition	Justification/Management Utility	Baseline	JFRBA-PY2015 (*: results made available in July 2015)	
											Target	Actual
A6.B	Taxpayers audited	4	ISTD	Quarterly	Percentage	ISTD	Outcome	Percentage of tax payers assigned for audit every year as compared to the number of tax payers who filed their tax returns in the same year	Helps improve audit risk management	33%	15%	15%
A7.B	Audits with no change in tax liability	4	ISTD	Quarterly	Percentag	ISTD	Outcome	Percentage of tax audits that resulted in no change in tax liability out of the total number of audits conducted	Lower figures indicate better audit productivity and more efficient use of time and resources	70%	50%	40%
A8.B	Assessments of audits with disapproval	4	ISTD	Quarterly	Percentag	ISTD	Outcome	Percentage of audits subject to tax appeals out of the audits that resulted in raising tax assessments	Measures affectivity, professionalism, and technical capabilities of the audit	TBD	TBD	N/A
A9.B	Audit assessments collected	4	ISTD	Quarterly	Percentage	ISTD	Outcome	Percentage of audit assessments actually paid out of the audit demands notified to the tax payers	Indicates ISTD's efficiency in collecting tax assessments	TBD	TBD	N/A
A10. a.B	Tax revenue	4	ISTD	Quarterly	Number	ISTD	Outcome	Income tax, general sales tax, and special sales tax revenue generated by taxpayers voluntary compliance	Measures efficiency of tax administration and the level of voluntary compliance of tax payers	3.3 billion JOD	3.88 billion JOD	4.096 billion JOD
A10. b.B	Income tax revenue as a percentage of GDP	4	ISTD	Quarterly	Percentag	ISTD	Outcome	Income tax generated by tax payers voluntary compliance as a percent of GDP	Measured efficiency of tax administration and the level of voluntary compliance of tax payers	3%	3.3%	3.3%
A11. B	Overall debt ratio	4	ISTD	Quarterly	Ratio	ISTD	Outcome	In a given year, percentage of the total tax arrears (collectible and non-collectible) over the total tax revenue of the same year	Measures efficiency of tax administration and the audit, collection, and enforcement functions	60%	55%	54%

Ref	Indicator	Objective	Component	Frequency	Unit of Measure	Data Source	Type	Definition	Justification/Management Utility	Baseline	JFRBA-PY2015 (*: results made available in July 2015)	
											Target	Actual
A12. B	Percentage of women participants in training	4	ISTD	Quarterly	Percentag	ISTD	Outcome	Number of women participants out of total participants in any given training	Building capacity in ISTD and allowing women to share equitably in economic benefits and capacity development.	25%	30%	23%
A13. B	Number of TADAT certified ISTD ad MOF officials	4	ISTD	Annually	Number	ISTD	Outcome	Certified TADAT trainees or certified TADAT assessors	TADAT certified officials will help ISTD comply with the external TADAT assessment requirements, incorporate TADAT KPIs into ISTD strategy, and qualify ISTD possible future assessors	0	10	23
A14. B	ISTD IT Strategy Review completed	4	ISTD	Annually	Yes/No	ISTD	Output	Comprehensive assessment of the current ICT situation for improvement	Upgrade the capacity of ISTD software and hardware to improve overall ISTD operations.	No	Yes	Yes
A16. B	Revised business process and taxpayer services operational plans	4	ISTD	Annually	Yes/No	ISTD	Output	Restructuring ISTD taxpayer service function to be in line with international best practices.	Taxpayer satisfaction will be increased, which in turn will have a positive effect on the voluntary tax compliance	No	Yes	Yes
A17. B	New audit manual integrated into the automated audit management system AMS			Annually				Having streamlined and consistent automated audit procedures in all ISTD offices	To improve audit quality and monitor auditor performance	No	Yes	Yes
A18. B	Revised tax arrears collection procedures			Quarterly				Assess the current collection procedures for improvement	To improve collection procedures to reduce tax arrears	No	Yes	No

Ref	Indicator	Objective	Component	Frequency	Unit of Measure	Data Source	Type	Definition	Justification/Management Utility	Baseline	JFRBA-PY2015 (*: results made available in July 2015)	
											Target	Actual
B1.a. B	M&E framework is developed	3	GBD	Quarterly	Yes/No	GBD	Outcome	Explains the Monitoring, Review, and Evaluation (MRE) System	To provide detailed roles and responsibilities in MRE for GBD and government departments and units, in support of results-based budgeting	No	Yes	No
B2.B	Include standardized M&E forms in Budget Circular	3	GBD	Quarterly	Yes/No	GBD	Output	Monitoring & Evaluation forms are included within the Budget Circular.	Ensures cooperation of line ministries in providing GBD with data required for the system.	No	Yes	No
B3.B	Budget KPIs for pilot ministries assessed and revised	3	GBD	Annually	Yes/No	GBD	Outcome	Review, assess and revise KPIs of the selected pilot ministries to determine whether they meet good practice criteria. Pilot ministries are to adopt the revised KPIs.	KPIs should be accurate, comprehensive, appropriate and relevant to stated government's strategy, objectives, and programs. Also they are essential tools for monitoring and evaluating the performance of the government departments and units.	No	Yes	Yes
B5.B	Gender responsive budgeting piloted in target line ministry	3	GBD	Annually	Yes/No	GBD	Outcome	Promote gender equality and ensure transparency and accountability of government spending	Understanding gender responsive budgeting will lead to a better more effective future planning and program delivery.	No	Yes	No
B7.B	Percentage of women participants in training	3	GBD	Quarterly	Percentage	GBD	Outcome	Number of women participants out of total participants in any given training	Building capacity in GBD and allowing women to share equitably in economic benefits and capacity development.	22%	30%	13%

Ref	Indicator	Objective	Component	Frequency	Unit of Measure	Data Source	Type	Definition	Justification/Management Utility	Baseline	JFRBA-PY2015 (*: results made available in July 2015)	
											Target	Actual
C2.B	Number of MTDS recommendations implemented within MOF	1	MOF	Annually	Number	MOF	Outcome	MOF adopts and implements recommendations from the Medium Term Debt Strategy	Implementing the recommendations made in the MTDS will work to reduce the public debt ratio as a percentage of GDP in the medium term	0	4	0
C3.B	Number of staff trained in international accounting standards	1	MOF	Annually	Yes/No	MOF	Output	Train professional accountants how to apply transformation from cash to accrual basis	IPSAS, when properly implemented will improve the quality of financial reporting by the public sector, increase transparency and accountability of public financial management, and enable the public sector to improve decision making by providing reliable financial data and enhanced assessments of resource allocations.	0	30	35
C4.a. B	Number of analytical reports and policy papers issued	1	MOF	Quarterly	Number	MOF	Output	Number of reports and policy papers issued	Provides analytical insight to senior MOF staff	0	2	1
C4.b. B	Number of analytical reports produced solely by MOF staff	1	MOF	Quarterly	Number	MOF	Outcome	Number of reports and policy papers produced by MOF staff without JFRBA support	Improves in-house analytical capabilities of MOF staff and increasing senior-level demand for analysis from SEPD. Showing sustainability and ability of MOF staff to function independently as a result of capacity built	0	3	2
C5.B	Number of users with dashboard installed	1	MOF	Quarterly	Number	MOF	Outcome	Number of high level MOF staff with Business Intelligence dashboard installed	Provides access to real time data for economic indicators and relevant statistics that will aid in preparing reports	0	15	0

Ref	Indicator	Objective	Component	Frequency	Unit of Measure	Data Source	Type	Definition	Justification/Management Utility	Baseline	JFRBA-PY2015 (*: results made available in July 2015)	
											Target	Actual
C6.B	Percentage of women participants in training	1	MOF	Quarterly	Percentage	MOF	Outcome	Number of women participants out of total participants in any given training	Building capacity in MOF and allowing women to share equitably in economic benefits and capacity development	39%	45%	22%
C7.B	Percentage difference between GOJ 2014 actual and forecasted revenues	1	MOF	Quarterly	Percentage	MOF	Outcome	The difference between the forecasted revenues reported by the model and the actual revenues of GOJ divided by the actual revenues of GOJ	Measures the quality of the macro and revenue models and reflects the capacity building of SEPD staff on running and interpreting results of these models	5%	3%	N/A
D1.B	Number of new national Golden List participants/ Number of Jordan Customs Golden List Participants	7	JC	Quarterly	Number	JC	Outcome	Number of businesses participating in the Golden List program	Measures an increase in participation, which indicates voluntary compliance with trade requirements, stronger relationships with the private sector and ultimately trade facilitation	0/54	10/59	10/57
D2.B	Conduct public private dialogue forums	7	JC	Quarterly	Number	JC	Output	Number of awareness forums conducted amongst key stakeholders and the relevant target audience	Raise awareness amongst the private sector and Jordan's business leaders on the various trade facilitation programs that JC is implementing including the GL, PAP, and the centralized processing center.	0	3	1
D3.B	Customs processing time	7	JC	Annually	Number	JC	Outcome	Time needed for customs to finalize and complete customs declaration processing and formalities within JC	Reduced customs processing time will in turn lead to reduced processing time at the border, reduction in time to import/export, and enhance trade facilitation	9.5	8.5	7.72

Ref	Indicator	Objective	Component	Frequency	Unit of Measure	Data Source	Type	Definition	Justification/Management Utility	Baseline	JFRBA-PY2015 (*: results made available in July 2015)	
											Target	Actual
D5.B	Percentage of red-laned declarations where infractions or non-compliance is discovered	7	JC	Quarterly	Percentage	JC	Outcome	Measured change in the cases of non-compliance identified, as a percentage of total red-laned declarations.	Increase in percentage indicates better risk management and more efficient selectivity for red-laning shipments.	35%	38%	38.88%
D7.B	Percentage of women participants in training	7	JC	Quarterly	Percentage	JC	Outcome	Number of women participants out of total participants in any given training	Building capacity in JC and allowing women to share equitably in economic benefits and capacity development.	16%	25%	13.5%
D8.B	Complete technical work for ISO 27001 certification	7	JC	Annually	Yes/No	JC	Outcome	Certified in ISO 27001 information security	The improved information security regime will prevent illegal conduct and establish a solid base for the safety and security of systems and information	No	Yes	Yes
D9.B	PAP & SW implementation at Aqaba Passengers Station Customs Center	7	JC	Annually	Yes/No	JC	Outcome	Implementing Pre-Arrival Processing (PAP) and Single Window (SW) in Aqaba Passengers Station Customs Center	Increasing trade facilitation and reducing processing time and cost by introducing SW and PAP procedures at the Fairy Station (goods and passengers) between Aqaba and Egypt.	No	Yes	Yes
F1.B	Percentage of budget institutions in which GFMIS has been implemented	2	GFMIS	Quarterly	Number	MOF	Outcome	Number of budget institutions using GFMIS, as a percentage of 74 total planned government entities (ministries/departments and large regional financial centers).	Tracks the use of GFMIS throughout the Government of Jordan for efficient use of public resources and management of public expenditure	75.7%	100%	91%

Ref	Indicator	Objective	Component	Frequency	Unit of Measure	Data Source	Type	Definition	Justification/Management Utility	Baseline	JFRBA-PY2015 (*: results made available in July 2015)	
											Target	Actual
F2.B	Percentage of the central government's budget reporting through GFMIS.	2	GFMIS	Quarterly	Percentage	MOF	Outcome	Percentage of budget institutions using GFMIS according to the weight each institution holds in the GOJ budget	Tracks the use of GFMIS throughout the Government of Jordan for efficient use of public resources and management of public expenditure. Using each institutions weight in the budget allows for a more accurate depiction of the degree of GFMIS implementation	83.8%	100%	90%
F5.B	Number of reports issued by MOF staff using Business Intelligence (BI)	2	GFMIS	Quarterly	Number	MOF	Outcome	For MOF staff to solely produce BI reports which include statistical data and charts	Utilize the information that is entered on GFMIS and gives decision makers real-time data.	0	1	1
F6.B	Implement GFMIS in an independent institution	2	GFMIS	Quarterly	Number	MOF	Outcome	Piloting GFMIS in one independent institution	Implementing GFMIS in an independent institution is a step towards integrating the financial control and reporting for centralized budget and independent institutions	0	1	0
F8.B	Percentage of women participants in training	2	GFMIS	Quarterly	Percentage	MOF	Outcome	Number of women participants out of total participants in any given training	Building capacity in GFMIS and allowing women to share equitably in economic benefits and capacity development.	28%	35%	-
F9.B	Number of video tutorials	2	GFMIS	Quarterly	Number	MOF	Output	Brief video presentations on how to use GFMIS; covering all seven components to be disseminated among target users	Supporting knowledge and training tool for all GFMIS users across the GOJ to facilitate the training process	0	7	0

Ref	Indicator	Objective	Component	Frequency	Unit of Measure	Data Source	Type	Definition	Justification/Management Utility	Baseline	JFRBA-PY2015 (*: results made available in July 2015)	
											Target	Actual
F10.B	Operational plan to transition GOJ from cash to accrual basis accounting	2	GFMIS	Annually	Yes/No	MOF	Output	The plan will present the guidelines and the requirements for GoJ to move from the cash based accounting to the accrual based accounting	Adopting accrual based accounting will put the GOJ in line with international accounting standards	No	Yes	No
F11.B	Upgrade software	2	GFMIS	Annually	Yes/No	MOF	Outcome	Installation of the new GFMIS hardware and upgrading the GFMIS software	Upgrading the GFMIS will improve system performance, resolve fundamental issues and allow the system to be rolled out to cover all the budget institutions	No	Yes	Yes
G2.B	Establish PPP Guidebook	6	PPP	Annually	Yes/No	PPP Unit	Output	Manual of PPP requirements and guidelines	Following guidebook will create capacity, accountability, and transparency within GOJ stakeholders	No	Yes	No
G3.B	PPP Outreach Strategy	6	PPP	Annually	Yes/No	PPP Unit	Output	Summarizes the objectives, target audience, and outreach tools needed to raise awareness on PPPs	Strategy will raise awareness amongst key stakeholders in the public and private sectors about the PPP program	No	Yes	Yes
G4.B	A PPP Website is developed	6	PPP	Annually	Yes/No	PPP Unit	Output	An online platform that includes all relevant PPP documents, background information.	Ensuring transparency, and making PPP information widely available to the public	No	Yes	No



# APPENDIX C: USAID FOREIGN ASSISTANCE AND CUSTOM INDICATORS

Ref	Indicator	Objective	Component	Frequency	Unit of Measure	Data Source	Type	Definition	Justification/Management Utility	Baseline	JFRBA-PY2015 (*: results made available in July 2015)	
											Target	Actual
1.1.1.d	Number of days of technical assistance trade and investment environment provided to counterparts or stakeholders	DO#1 Economic Development	Cross cutting	Annually	Days	TAMIS	output	Number of days of LOE of expat and CCN, STTA and LTTA supporting Team D and G activities	This is an output measure of trade and investment related technical assistance used to address trade and investment capacity building issues with the goal of generating results such as reforms to the trade and investment regime/capacity building that lead to impacts in attracting investment and generating growth			
1.1.1.e	Person hours of training completed in trade and investment capacity building supported by USG assistance	DO#1 Economic Development	Cross cutting	Quarterly	Hours	TAMIS	output	Number of USG-supported training hours that were completed by training participants relating to topics of investment capacity building and trade.	This is an output measure of training in trade and investment capacity building area. This is a primary means of delivering technical assistance			
1.4.1.a	Primary fiscal deficit relative to GDP	DO#1 Economic Development	MOF	Annually	Percent	IMF	Outcome	Represents fiscal deficit as a percentage of GDP. (Domestic Revenues-Total Expenditure (excluding interest payment))	Decrease in fiscal deficits promotes economic growth, reducing government spending and increasing revenues which will improve business confidence, and prompt improved economic conditions.			
1.4.1.c	Person hours of training completed in fiscal policy and fiscal administration supported by USG assistance	DO#1 Economic Development	Cross Cutting	Quarterly	Number	TAMIS	Output	Number of hours of training per person in fiscal policy and fiscal administration provided	Training is a key input to efforts to build capacity in fiscal policy and fiscal administration, towards improving the macroeconomic foundation for growth.		6,525	2,867

Ref	Indicator	Objective	Component	Frequency	Unit of Measure	Data Source	Type	Definition	Justification/Management Utility	Baseline	JFRBA-PY2015 (*: results made available in July 2015)	
											Target	Actual
1.4.3.b	Ratio of private sector to public sector funds in public private partnerships	DO#1 Economic Development	PPP	Annually	Ratio	MOF	Outcome	Represents ratio private sector to public sector funds in public private partnerships.	The ratio will provide insight regarding the interest in partnering with the government. The higher the ratio, the better private sector interest and reduction in government resources required to compete a task, thus improving the fiscal situation			
C.1.4.a	Level of Government Debt as a Percent of GDP	DO#1 Economic Development	MOF	Annually	Percentage	MOF	Outcome	The level of Government debt (both domestic and external debts) and its ratio to Jordan's GDP. Calculated by dividing Net Outstanding Public Debt by Jordan's GDP. Net Outstanding Public Debt is equal to the sum of External Debt (Budget and Guarantees) and Net Domestic Debt. Net Domestic Debt is equal to "gross domestic debt" minus deposits with the banking system	The debt to GDP ratio reflects available fiscal space based on the threshold defined in Jordan's public debt law. Also, it is a good indication of Jordan's capacity to pay back debt, including principal and debt service. Finally, the ratio is a good barometer of the country's ability to borrow domestically and externally.			

# APPENDIX D: FRP II SUSTAINABILITY INDICATORS

Ref	Indicator	Objective	Component	Frequency	Unit of Measure	Data Source	Type	Definition	Justification/Management Utility	Baseline	Year 1 – PY 2010 (*: results made available in spring 2011)		Year 2 - PY 2011 (*: results made available in spring 2012)		Year 3 - PY 2012 (results made available in spring 2013)		Year 4 - PY 2013 (*: results made available in spring 2013)		Year 5 - PY 2014 (*: results not available in August 2014)		JFRBA-PY2015 (*: results made available in July 2015)	
										(Y1)	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
A1	Ratio of taxpayers to tax administration staff*	4	ISTD	Annually	Percent	ISTD	outcome	Number of active taxpayers (corporate and individual) per tax administration employee.	Measures tax administration efficiency. This ratio improves when number of taxpayers increases, or when tax administration growth is rationalized.	53:1	75:1	60:1	85:1	82:1	100:1	96:1	125:1	110:1	150:1	114:1	125:1	103:1
A3	Number of delinquent taxpayers	4	ISTD	Annually	Number	ISTD	Outcome	Number of taxpayers that should pay, but have not, or taxpayers in arrears.	Tracks ISTD performance in reducing number of delinquent taxpayers.	119,000	113,050	101,330	95,200	123,000	83,300	126,605	71,400	480,389	59,500	18,433	15,000	N/A
A5	ISTD cost of collecting taxes as percentage of tax revenues*	4	ISTD	Annually	Percent	ISTD	Outcome	Cost of collecting taxes measured by ISTD annual budget, as a percentage of total revenue collected by the department.	Connects the cost of administering the tax system to the total revenues collected by the tax administration.	0.53%	0.53%	0.59%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.6%	0.67%	0.70%	.57%
B3	Percentage increase in budget entities publicizing key performance indicators	3	GBD	Annually	Percent	GBD	Output	Number of budget entities publicizing KPIs on their websites in a certain year, as a percentage of total budget entities.	Tracks GOJ advances in engaging public to oversee government financial performance.	0	7%	7%	12.5%	12.5%	0.25	10.7%	35%	30%	20%	15%	20%	N/A
C5	Number of GOJ programs that undergo budgetary impact analysis	1	MOF	Annually	Number	MOF	Outcome	Number of GOJ programs or policies that undergo medium to long-term budgetary impact analysis.	More efficient and cost effective use of public resources by assessing feasibility and influencing design of programs to most efficiently use of resources.	0	2	0	2	6	2	2	2	4	2	2	2	2
D1	Number of Partner Government Agencies included in Single Window, and number of Single Window border locations	7	JC	Annually	Number	Jordan Customs	Outcome	Number of PGAs that are included in Single Window and have signed MOUs with JC, and number of border locations that operate Single Window procedures.	More participating PGAs in Single Window, and increased number of Single Windows, reduces burden of compliance on traders. Results are represented as #PGAs/#SWs.	3 PGAs/ 5 SWs	3/7	3/8	3/8	4/8	5/8	5/8	6/8	6/11	6/12	6/11	6/14	6/17



# APPENDIX E: CAPACITY BUILDING & OUTREACH EVENTS

The tables below summarize JFRBA's formal outreach and capacity building events that were delivered throughout the quarter.

## Capacity Building

No.	Event Title	Venue	No. of Participants	Females	Type of Event	Date	Team	Target Group
1	Monitoring and Evaluation Forms	GBD Meeting Room	49	8	Workshop/Seminar	7 Jan, 2016	Component B (GBD)	GBD Sector Lead, Budget Analysts, Research and IT Staff
2	Training of Trainers	Le Meridien Hotel	13	2	Training Course	10-14 Jan, 2016	Component D (Jordan Customs)	Jordan Customs Employees
3	Review and Revised KPIs of Pilot Ministries for the M&E System	Le Royal Hotel	25	12	Workshop/Seminar	12-13 Jan, 2016	Component B (GBD)	GBD Budget Analysis, Planning, Finance, and Program Staff in Line Ministries.
4	Review and Revised KPIs of Pilot Ministries for the M&E System	Le Royal Hotel	30	12	Workshop/Seminar	18-19 Jan, 2016	Component B (GBD)	GBD Budget Analysis, Planning, Finance, and Program Staff in Line Ministries.
5	KPIs Training	GBD Meeting Room	45	9	Meeting	21 Jan, 2016	Component B (GBD)	GBD Sector Leads, Budget Analyst, , IT Department, and Studies Directorate
6	National Golden List Program Development Workshop	Aqaba Movenpick Hotel	8	2	Meeting	2-4 Feb, 2016	Component D (Jordan Customs)	Risk Management Technical Committee Members
7	Prototype Revenue Model Brainstorming Session	JFRBA Office Conference Room	8	1	Meeting	3 Feb, 2016	Component C (MOF)	SEPD & ISTD staff

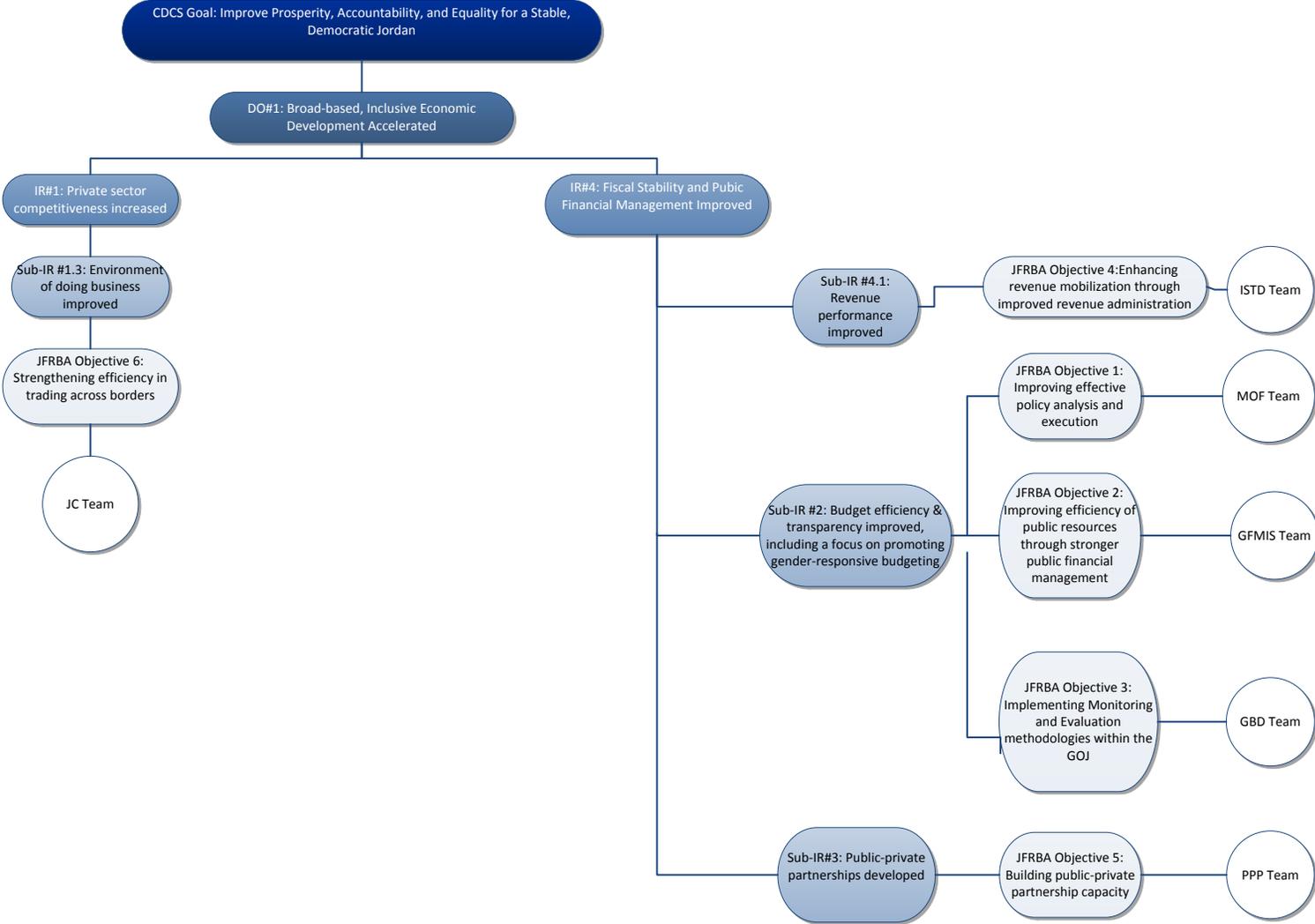
8	Hands-On Practice With The Revenue Forecasting Model	JFRBA Office Conference Room	6	2	Meeting	10-11 Feb, 2016	Component C (MOF)	MOF SEPD Staff & ISTD Staff
9	Eviews Training	JFRBA Office Conference Room	5	2	Meeting	11 Feb, 2016	Component C (MOF)	MOF Analysts With (Envisioned) Access To Eviews At Their Workplace
10	Oracle Development Training	GFMIS Meeting Room	3	1	Training Course	14 Feb -3 Mar, 2016	Component F (GFMIS)	MOF SEPD Staff & ISTD Staff
11	Macro Model Training	JFRBA Office Conference Room	4	2	Meeting	16 Feb, 2016	Component C (MOF)	Studies And Economic Policies Directorate Staff
12	Medium-Term Forecasting and Budgeting	JFRBA Office Conference Room	9	3	Meeting	17 Feb, 2016	Component C (MOF)	SEPD, Accounting and Revenue Directorates and General Budget Department
13	Training of Trainers	Marriott Hotels Amman	17	2	Training Course	28 Feb – 3 Mar 2016	Component D (Jordan Customs)	Qualified JC Employees
	Total		222	58				

**Outreach Events**

No.	Event Title	Venue	No. of Participants	Females	Type of Event	Date	Team	Target Group
1	The Government Financial Management Information System (Transparency ,Comprehensive, Accuracy)	InterContinental Amman	108	17	Workshop/Seminar	24 March, 2016	Component F (GFMIS )	High Profile Event (Prime Minister USAID Mission Director, Ministers, Sgs, GFMIS Team.
2	The Public Expenditure Perspectives 2015 Book Launch	Sheraton Hotel	33	6	Workshop/Seminar	28 March, 2016	Component B (GBD)	GBD And Ministries And Departments Of The Four Sectors
	Total		141	23				



# APPENDIX F: JFRBA RESULTS FRAMEWORK



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