

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN
AND
THE GOVERNMENT OF THE ITALIAN REPUBLIC
CONCERNING
THE ITALIAN AID PROGRAM FOR THE YEARS 2017-2019**

The Government of the Italian Republic, represented by the Director General for Development Cooperation of the Ministry of Foreign Affairs and International Cooperation and the Hashemite Kingdom of Jordan, represented by the Minister of Planning and International Cooperation, hereinafter referred to as the Parties,

Having established to undersign a Memorandum of Understanding covering the period 2017-2019 aimed at enhancing the existing bilateral and development cooperation between the two countries, and at contributing to achieve the objectives stated in the programmatic documents issued by the Government of Jordan, namely the Executive Development Program 2017-2019 and the Jordan Response Plan for the Syrian Crisis (JRP) 2017-2019 and endorsed by the Italian Development Cooperation guideline.

Have agreed on the following

Article 1

The Government of the Italian Republic will make available to the Hashemite Kingdom of Jordan, grants for an amount not less than Euro 19 million and soft loans for an amount not less than Euro 143.8 million, for the period 2017-2019. The funding will finance the initiatives that fall under the priority areas referred to in Article 2.

The Pledge of London: consisting of a total of Euro 144.8 million, divided between Euro 135 million as soft loans and Euros 9.8 million as grants. Additional humanitarian funds will also be provided to address the impact of the Syrian crisis, which for the year 2017 are expected in the amount of Euro 6 million.

- The residual soft loans under the Memorandum of Understanding 2000-2002, in the amount of Euro 8.8 million
- The additional grants amounting to Euro 9.2 million that will be made available during the period 2017-2019 through the Italian Cooperation regular programming cycle.

Further funding available from the Madad Fund and related initiatives can be determined in the framework of the JRP.

Within the framework of the provisions of the Italian Law n. 125/2014, additional financial resources for soft loans can be determined in favour of the Government of Jordan through Cassa Depositi e Prestiti SpA, financial institution of the Italian Cooperation. The use of these resources shall be negotiated between the Parties with regard to the development cooperation objectives established in the present Memorandum and/or other strategic priorities jointly agreed and remains subject to the approval of Cdp's competent institutional bodies.

The grants will be disbursed through the bilateral and multilateral channels, in close coordination with the Ministry of Planning and International Cooperation, thus leveraging also on the expertise of the international organizations which are already partners of the Government of Jordan in the implementation of the Executive Development Plan and of the Jordan Response Plan for the Syrian Crisis (JRP) 2017 – 2019.

Article 2

Based on the consultation process between the Parties, the following strategic priorities have been identified as follow:

- a. *Sustainable Growth through the efficient use of local resources* with particular regard to (i) increasing the capacity of the cultural heritage to generate job opportunities and sustain tourism development, which Italy mainstream at international level; (ii) Infrastructure Water Growth and renewable energies; and (iii) Small and Medium Enterprise development, facilitating access to concessional financing and supporting the creation of an enabling environment for entrepreneurship.

- b. *Investing in People and Social Cohesion* with a special focus on human resources development, social inclusion, through initiatives aimed at: (i) strengthening the resilience of local communities and sustaining the living conditions of refugees, along the lines of the JRP recommended actions; (ii) improving the performance of the education sector through a Budget Support to the Ministry of Education addressed to school infrastructures.
- c. *Governance* by strengthening the capacities of Central and Local Authorities to sustain development and raise awareness on issues such as gender equality and women empowerment, protection of minorities and vulnerable groups, inclusion of people with disabilities, which Italy mainstreams at international level.

Article 3

According to the actual results in the implementation of the Debt Swap Agreement of May 22nd 2011, the parties will undertake the preparatory arrangements for a next phase.

Article 4

The Parties identify a comprehensive list of initiatives/projects enclosed in the annex hereby attached, which is an integral part of this Memorandum. Specific agreements will be signed by the parties for each initiative/project.

Article 5

The Parties agree to form a Joint Committee that meets annually at Senior Officials level to monitor progress in the implementation of the projects and to discuss further initiatives, as deemed appropriate.

Article 6

This Memorandum shall enter into force on the date of the receipt of the last of the two notifications by which the two Contracting Parties shall formally have communicated each other that their respective internal procedures have been completed. Its duration will be three years since it enters into force.

During the period of the MoU validity, the parties are entitled to amend and/or integrate it (including Annex) and/or extend the duration of the project after mutual consent that must be expressed officially in written form (exchange of letters), according to the procedures stated in the previous paragraph.

Article 7

The Parties commit to allocate the residual fund of the MoU 2000-2002 within the FY 2017.

Article 8

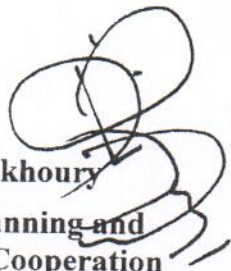
The Parties agreed to start as soon as possible the updating of the 1965 Development Cooperation Framework Agreement.

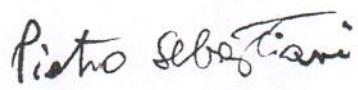
Article 9

In witness thereof, the undersigned Representatives, duly authorized by their respective Governments, have signed the present Memorandum. Done in Amman on March 9th 2017 in two originals in the English language.

**For the Government of the
Hashemite Kingdom of Jordan**

**For the Government of the
Italian Republic**


**Imad Najib Fakhoury
Minister of Planning and
International Cooperation**


**Pietro Sebastiani
Director General for
Development Cooperation**

Annex

SOFT LOANS		
Project	Total	Notes
Laboratory Equipment and health services	7.500.000	MoU 2000-2002 allocations
Small and Medium Enterprises	1.300.000	MoU 2000-2002 allocations
Sector budget support (education, water, health)	85.000.000	Pledge of London Conference
Dead Sea-Red Sea	50.000.000	Pledge of London Conference
GRANTS		
Project	Total	Notes
Support to the development of municipalities affected by high unemployment	1.800.000	Pledge of London Conference
Resilience projects/programs under JRP (health, social, education)	8.000.000	Pledge of London Conference JRP 2017-2019
Dead Sea – Red Sea	2.000.000	Additional grant 2017/19
Regional Institute for Conservation and Restoration – Jerash	2.000.000	Additional grant 2017/19
Training of humanitarian personnel in the field of disability	700.000	Additional grant 2017/19
Economic Empowerment of women among Syrian refugees and Jordanian hosting communities – JRP	2.000.000	Additional grant 2017/19
UNIDO - Creative and Cultural Industry Clusters – phase II	500.000	Additional grant 2017/19
Sustainable tourism in protected areas	1.000.000	Additional grant 2017/19
Preserving the cultural heritage and creating job opportunity for youth	1.000.000	Additional grant 2017/19