



JORDAN GROWTH AND COMPETITIVENESS DEVELOPMENT POLICY FINANCING (DPF)

BACKGROUND

Jordan has shown remarkable resilience in maintaining stability and growth in the face of regional and global shocks and crises. The country has maintained a steady average growth rate of 2.5% over the past decade. However, growth remains modest and has not generated sufficient job opportunities for the country's growing and youthful population. Investment, particularly public and foreign, has been on a decline, and private sector job creation has not kept pace with demographic trends. Female labor force participation remains among the lowest globally.

To address these challenges, the Government launched in 2021 the Economic Modernization Vision (EMV), which aims to mobilize US\$58.4 billion in investments, double economic growth, and create 1 million new jobs. The EMV outlines a pathway to boost productivity, increase exports, and foster private sector-led growth.

THE JORDAN GROWTH AND COMPETITIVENESS DEVELOPMENT POLICY FINANCING (DPF)

US\$400 MILLION

The **Jordan Growth and Competitiveness Development Policy Financing (DPF)** provides financing to support key EMV reforms to enhance competitiveness and attract investments in high-potential sectors for inclusive growth and job creation.

Through **US\$400 million** in financing, the operation aims to:

- Support the implementation of the EMV through advancing key reforms.
- Improve the enabling business environment and promote access to finance.
- Unlock investments and export potential in key sectors.
- Increase private sector job opportunities, particularly for youth and women.



The Program is structured around two pillars:

1. Improving the enabling business environment:

Reforms under this pillar aim to reduce business operation costs, promote competition, facilitate trade, and enhance labor market flexibility. Key actions include amendments to the Competition Law, Customs Law and Labor Law. Additionally, policy measures are proposed to promote Micro, Small, and Medium Enterprises (MSMEs) participation in public procurement and increase female representation on corporate boards. These reforms are grounded in recent analytical work that highlights the need for a more competitive and inclusive business environment to drive economic growth.

2. Deepening access to finance:

Reforms under this pillar focus on expanding access to finance by enhancing the regulatory framework for non-bank financial institutions (NBFIs) and Fintech solutions; strengthening credit infrastructure; fostering the growth of green finance; and increasing financial resilience. The design of Pillar 2 is informed by the Financial Sector Assessment Program (FSAP) Update recommendations, particularly those related to access to finance, financial safety net, and long-term finance.



KEY TARGET RESULTS

- Further **enhance customs procedures**.
- **Women** benefiting from stronger labor market protection.
- **Increase the value** of public procurement awarded to MSMEs.
- **Raise additional financing** through Fintech regulatory Sandbox solutions.



Jordan Growth and Competitiveness DPF aims to improve competitiveness and attract investment in high-potential sectors, supporting key reforms under Jordan's EMV. The US\$400 million program focuses on enhancing the business environment and expanding access to finance, increasing Foreign Direct Investment, increasing labor market protection for women, reducing custom release times, and promoting Fintech solutions.

For more information, please visit:
<https://www.worldbank.org/en/country/jordan>