



THE HASHEMITE KINGDOM OF JORDAN

JORDAN STATEMENT AT THE UN SUSTAINABLE DEVELOPMENT SUMMIT

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***Mr. President,
Mr. Prime Minister,
Excellencies Heads of States and Governments,
Ministers, Distinguished Delegates, Ladies and Gentlemen,***

We are gathered here today to start a new global developmental phase, while reiterating our commitment to a renewed and more ambitious framework for development; the 2030 Agenda for sustainable development with the Sustainable Development Goals (SDGs) at its core, charting a new course for development for the next 15 years. I am pleased to note that Jordan actively participated in all stages to reach post-2015 development agenda consensus. And today, as we declare our endorsement of the SDGs and our strong commitment to achieving them through an enhanced global partnership, we look forward that the new agenda will build and expand on the achievements and strengths of the Millennium Development Goals.

The world today is a much different place than it was at the turn of the millennium. While prosperity is greater and more widespread; poverty remains a great challenge especially in low and middle income countries, and while there has been growth, inequality has been rising in addition to pressures on planetary resources. At the same time, hard-won development gains are threatened by the effects of climate change and more frequent conflicts, as well as humanitarian and economic crises.

Ladies and Gentlemen,

The SDGs are global, yet the challenges to achieving them are country-specific. Jordan's resilience, transformation and role it plays grew deliberately out of its strong commitment to sustainable development and comprehensive reform. Our reform approach has been based on an inclusive, sustainable and home-grown evolutionary process that is based on moderation, openness, strengthening stake-holding and active citizenship; whilst empowering our citizens and creating new opportunities to raise the standard of living across

the country. It is due to our constitutional Monarchy, awareness of and investment in our citizens, commitment to comprehensive reform and to developing the country's and its people's future that enabled Jordan to be a uniquely safe haven in a turbulent region and to remain resilient, strong and transforming challenges into opportunities.

I am pleased to report that as part of our continued commitment to comprehensive and home grown reforms, Jordan is working on pursuing a path of sustainable development and to internalize SDGs into its national development plans whilst maximizing resource mobilization for meeting its development agenda. The strong partnership between the public and private sectors and the civil society has been a key factor in the success of our ongoing development efforts. We have launched this year a new 10-year socioeconomic blueprint for the country, *"Jordan 2025: A National Vision and Strategy"* aimed at achieving a prosperous, resilient, and inclusive economy while deepening reform and inclusion.

On the political reform front, a new wave of laws that aim to further increase citizens participation in decision-making covering Political Parties, Municipal Elections, Decentralization have been endorsed by Parliament. Discussions on the new parliamentary Elections Law will start at the next ordinary session of Parliament. Additionally, as part of our efforts to enhance transparency, good governance and fighting corruption, a Royal National Commission adopted a National Integrity Charter and its action plan, which is being tracked by this independent commission and Parliament is deliberating a new Integrity, Ombudsman and Anti-corruption Law as one of key recommendations of this commission. All these reforms build on recent efforts that saw the amendment of one third of our constitution, establishment of new democratic institutions such as Constitutional Court and Independent Elections Commission, and strengthening of our judiciary through Judicial Independence Law.

On the economic reform side, Jordan adopted a new generation of economic laws to enhance investments, business environment and competitiveness; such as new PPP Law, new Tax Law, new Electronic Transactions Law, and a new Investment law. Parliament is also deliberating a new Secured Lending Law and work is underway on a new Bankruptcy and Insolvency Law. 2015 also witnessed the successful completion of an IMF Stand-by

Arrangement program by Jordan and the country elected to start a new IMF Extended Fund Facility program to continue structural reforms in 2016 onwards.

On the development planning side, the Government of Jordan will use its national three-year executive development programs tool (EDPs), developed through a participatory approach, to implement the Jordan 2025 whereby phase one of this blueprint will be part of 2016-2018 EDP. Our three year national development framework includes development programs for each governorate as part of our decentralization drive, based on a participatory bottom-up consultative approach to address the needs and regional disparities among governorates, based on their competitive features, whilst targeting poverty and unemployment challenges. The Government has internalized SDGs as part of its Jordan 2025 and will build into its development planning framework through EDPs the indicators to be developed for tracking progress of SDGs. A Delivery Unit at the Prime Ministry was established to monitor the implementation of Jordan 2025 and successive EDPs to further strengthen transparency and accountability. Moreover, a new Public Investment Management Framework was introduced for implementation of EDPs to enhance the efficiency of capital spending, prioritize public investments and maximize using public private partnerships (PPPs).

In pursuing our sustainable development model, Jordan is introducing green buildings codes, incentivizing hybrid and electric vehicles whereby cabinet members are leading by example in usage of e-vehicles, and implementing a national energy diversification program led by a strong renewable energy component. Jordan has recently adopted national indicative climate change targets ahead of Paris Summit. We have also adopted for the first time a Green Economy Strategy and a Solid Waste Management Strategy; whose action plans will be implemented through successive EDPs. Furthermore, Jordan will embark this year on implementing one of the world's most unique sustainable development projects, the Red Sea-Dead Sea water project that aims to introduce water desalination for Jordan, which is second poorest country in terms of water per capita availability, with regional beneficiaries and water swapping system, whilst using resulting brine to save the Dead Sea, making this a critical sustainable development, environmental, peace project and a humanitarian resiliency imperative given massive waves of refugees seeking a safe haven in Jordan.

Ladies and Gentlemen,

Allow me to shed the light on some of emerging challenges that my region is facing. Turbulence in the region has generated a number of humanitarian crises and dramatically increased human suffering and vulnerability. Such crises will take time and their negative impact will continue to affect our region's sustainable development agenda for the next decade at the least, and can only be solved through political solutions coupled with firm international commitments to mitigate and address the impact. The Syrian crisis, which is currently in its fifth year, has resulted in 4 million Syrian refugees in neighbouring countries, in addition to 8 million internally displaced persons. This crisis is unprecedented and not just a refugee issue; but also a serious national resilience issue, particularly for neighbouring countries who together have absorbed the Syrian refugees, as well as the spillover that has wrought havoc on the entire region and has recently challenged the European continent in spite of its size and wealth.

Jordan today is hosting over 1.4 million Syrians, where only 8 percent of Syrians are in refugee camps and making Jordan the third largest refugees' recipient country per capita wise in the world. This has heavily impacted the country's fiscal position as since 2011, the overall estimated financial impact of the crisis, including direct and indirect costs, is estimated at about US\$6.6 billion. Yet, this excludes the cost of humanitarian or resilience interventions, and accounts for the additional expenditures in education, healthcare, subsidies, and income losses borne by the Government since the beginning of the crisis. Recognizing this, the Government is spearheading a resilience-based response that brings together humanitarian and development efforts in a single national framework to benefit both refugee and host communities, the Jordan Response Plan, which was developed in cooperation with the international community and the UN system.

Currently, the required US\$2.99 billion in the Plan for 2015 is extremely underfunded, reminding you all of the appeal that Jordan issued at the Kuwait III Pledging Conference last March. Only 35 percent of the JRP needs have been funded or pledged which has been highest level so far, indicating that for the fourth consecutive year, two thirds of needs at a minimum remain unfunded. *Jordan has reached its saturation level.* Notwithstanding,

Jordan has started coordination with the UN organizations and donor countries to prepare the Response Plan for 2016-2018, to be launched by the end of this year.

The burdens faced by Jordan due to regional turbulences put great pressure on its limited resources and capabilities affecting key sectors of education, health, water, municipal services and infrastructure. In this regard, I would like to emphasize the importance of Jordan's efforts to support Syrian refugees and host communities, and the importance of sustaining and expanding investment in supporting Jordan's efforts to reduce the effects of the Syrian crisis. This would contribute to the security and stability of our region, Europe and the world. We should emphasize here that the spread of the effects of this crisis beyond the region would lead to quadrupling of its financial and social costs at a minimum, which can otherwise be remedied and limited by investing the necessary funding and support for national institutions and host communities, treating Jordan as the first line of defense, not only for the region but for the whole world.

The flow of illegal immigrants (refugees) that Europe faces now, in spite of European countries' great economic and developmental capabilities, has proven to everyone that the incredible burden which Jordan has borne and continues to bear for the fifth year running, despite the scarcity of resources, which exceeds expectations and it is a testimony of Jordan's pivotal role. Some countries talk of hosting a limited number of refugees per year, while Jordan has received this same number every one or two days during the peak of the flow of Syrian asylum seekers to Jordan. What Jordan absorbed in terms of Syrian spillover in just 4 years whereby Syrians today constitute 20 percent of Jordanian population, is equivalent to the US having to absorb 64 million immigrants, or the EU having to absorb 100 million immigrants, or Germany having to absorb close to 17 million immigrants, or Japan having to absorb 25 million immigrants, or Russia having to absorb 54 million immigrants, or China having to absorb 280 million, or India having to absorb 254 million immigrants, or Brazil having to absorb 40 million immigrants or South Africa having to absorb around 11 million immigrants! The scale for a country that imports 96 percent of its energy, 87 percent of its food is devastating on our entire development gains that we have worked so hard to achieve.

As Jordan proceeds along its charted path of comprehensive reforms and achieving our sustainable development goals, it is essential that all options to support countries hosting refugees on behalf of the international community should be employed, reminding of Jordan's call on the critical need to improve the eligibility criteria for vulnerable middle-income countries to access development assistance and highly concessional and innovative funding tools to assist us absorb the unique destabilizing circumstances and manage our developmental agenda, particularly at a time when we continue to carry out a critical global public good on behalf of the region and the world. Donor countries should sufficiently fund Jordan response plans both within their humanitarian and development resilience streams, realize and increase commitments to resettle refugees in their countries, provide preferential concessional loans, debt swaps, or debt relief, and soften the terms and conditions for both existing and new loans (*substitute short term expensive debt with longer term concessional debt*).

Ladies and Gentlemen,

The gap in development financing faced by developing countries to implement SDGs over the coming 15 years is a real challenge. ODA remains critical for both low and middle income countries (*in particular vulnerable middle income countries*). ODA and other official flows need to be smarter to catalyze and leverage all sources of financing needed for SDGs, particularly vulnerable middle-income countries or countries in transition that are severely impacted by regional crises in order to stay resilient and not to risk development gains and future prospects of meeting new SDGs (*such as Jordan*). In this regard, we emphasize the importance of continuing and even increasing ODA to 1 percent of gross national income by 2020, in order to finance the sustainable development agenda for least developed countries and middle-income countries alike. We should also explore additional resources that could contribute to a new model of development financing to fulfill the ambitious promises of SDGs.

We also urge donors and IFIs from this platform to improve the criteria for qualification of middle-income countries that are heavily impacted by regional crises (*such as Jordan*) to gain access to innovative and easy financing tools to which countries that fall in this category are not eligible at present, in order to maintain their flexibility and avoid risking

their development gains and medium-term prospects of meeting the goals of sustainable development. Once again, Jordan should not be penalized for becoming an upper-middle income country whilst continuing to carry out a critical global public good on behalf of international community!

This gap in development financing to meet the investment needs of implementing the 2030 agenda and its SDGs, would require a more coordinated partnership from national governments, donors, multilateral institutions, the private sector and civil society organizations to collectively work to:

1. Tap into traditional and non-traditional sources of finances including: ODA, public and private, PPPs, Islamic financing, as well as sub-national, national and global finance to support long term investments needed for the new sustainable development agenda.
2. Leverage and catalyze private capital, and expand the use of tools to mitigate risk and uncertainty to mobilize non-traditional private financing.
3. Maximize available financial resources, and use such resources to mobilize additional lower cost resources and mitigate risk to achieve further cuts in costs of financing and attract co-financing and from private sector.
4. Engage and incentivize private finance through supportive business regulatory environment and sound macroeconomic frameworks, which would require open trade policy, efficient and effective tax system, ease of doing business, competitive investment climate conducive to entrepreneurship and innovation, competition, and well-functioning labor markets.
5. Reinforce and strengthen domestic resource mobilization, which will increase available public funds, in addition to increasing quality and efficiency of public expenditures to maximize development impact.
6. Strengthen project preparation capacities and provide access to credit enhancement and risk mitigation tools, in addition to co-investment platforms and blended finance and PPPs.
7. Support improvement of the business environment and further enhance access to finance and promotion of MSMEs.

8. Combine financing for development with stronger policy guidance, more effective technical assistance and enhanced capacity building to help countries build economic resilience and meet their individual responsibilities for financing their development needs towards achieving the SDGs.

Ladies and Gentlemen,

The political, economic and social situation of the Middle East at present, which led to a number of sequential and cumulative humanitarian crises, has increased human suffering and fragility dramatically. These crises will take time to be resolved and their negative impact will continue to affect sustainable development programs in the region for the next decade at least. Nevertheless, the Arab region is committed to the success of the transition of the region from the MDGs to the global objectives of 2030 sustainable development agenda. As a region, we also confirm our strong commitment to contribute to the achievement and means of implementation, including financing, capacity building and technology transfer of sustainable development across the Arab region, and future steps. Our development agenda is one about shared prosperity and hence the burden sharing cannot continue to be disproportionate. This is a defining moment in human history. Jordan counts on courage, wisdom, commitment and human fraternity of international community not to fail our humanity and to treat achievement of SDGs as an investment and business unusual and with the sense of urgency it warrants for the sake leaving no one behind, especially countries, such as Jordan, becoming vulnerable for doing the right and moral thing and of no fault of their own. And the world can continue counting on Jordan remaining a resilient safe haven and oasis of stability, an indispensable global partner in peace making and peace keeping, in inter and intra faith dialogue, in fighting extremism and terrorism; and in setting an inclusive, sustainable, evolutionary and comprehensive reform and development model.

Thank you...