**Jordan Inspection Reform II Report**

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The struggles of the private sector in Jordan was concerning enough to warrant a large-scale inspection reform by the IFC. These reforms were made necessary because the bulk of prior attention was on a smaller scale intervention by the IFC from 2007-2009. More recently, the Jordanian government became interested in wider-scale reform that corrects overarching issues and reforms all inspections.

IFC analysts have discovered that inspection reform must deal with many potential challenges. These challenges can be categorized into several groups: duplication, inconsistent level of preparation among inspectors, questionable transparency, potential bias and the lack of coordination, legal and technical awareness in each party. All of these provide issues because of the complications that they create within reform. For example, lack of coordination and duplication of inspections can cause internal disgruntlement with a business who believes that inspections are probably a waste of time and thus, the quantity of visits has an adverse relationship with the level of satisfaction between visits. Similarly, the awareness that each party has towards the inspection procedure and the legal rights.

The project team studied the most common reform models in more than 25 countries to create a potential baseline for the Jordanian algorithm. This model that the study should bring in for review should resolve the most known issues. Once the final model is determined and the reliability is verified, a review board looks over it and offers a final endorsement of the algorithm.

A database is established to create a place where everyone can access the information, create specific versions that tailor to their needs and allow for inter-inspectorate communications. Another component included is a risk assessment framework that establishes goals, and key performance indicators. This framework is then, developed for each inspection area from labor to environment.

One crucial aspect to develop an effective model that positively increases quality of the inspection reform is to look at the legal and technical requirements for each inspection. This step is important because recognizing the legal and technical rights should in theory, disincentivize either party to act outside of the rules and agreement. It is important to note that this study should not create new standards, but instead, remind both parties of the guidelines at the start of the inspection.

Inspections should also ensure that the inspectors know what needs to be done during the visit and how to act with members of the business. Any signs of bias or preferential treatment can be taken as signs of dissatisfaction and thus, could impact the emotional impact of the visit. Other steps that could be taken to ensure a solid inspection is to develop a schedule for visits, explain follow-up inspection protocol, use of performance indicators and proper dissemination of information.

The results of the inspection study showed the following analysis. The fifth question, which can be treated as the dependent variable in most models, asked whether the fairness of the inspection decisions changed over time. Analyzing the data and splitting it into categories showed that the majority (83%) felt like the fairness of the decisions generally improved over time. Those trends intuitively matched, the distribution of answers for the change in fairness of inspector decisions, unlike those of other factors used in this study. These factors demonstrated that most of the businesses felt as if their awareness of their legal rights and inspection procedures increased over time. Other questions, such as the one about inspector’s awareness and conduct were more evenly distributed.

This study showed that the reforms did have an impact as most business felt like the inspector’s decisions grew more fairer over time. However, there were some other questions that presented findings that were more counter intuitive. Therefore, the next step is to use regression and machine learning to determine the best factors to use to increase areas such as fairness of the inspection.