



INTEGRATED SDG INSIGHTS JORDAN

This initiative supports the articulation of national commitments to SDG transformation, towards accelerated SDG action in the second half of the 2030 Agenda.



HOW TO READ THIS REPORT



Integrated SDG Insights provides an overview of a country's economic growth trajectory, highlighting potential conflicts between growth, environmental concerns, and societal well-being (referred to as the **SDG Moment**).



It builds from the foundation of national SDG progress through the lens of the 5Ps and uses machine learning to analyse national development ambition with an SDG lens (**SDG Trends & Priorities**).



Combined, these insights are mapped against SDG interlinkages to define policy choices that accelerate SDG progress, tailored to national context (**SDG Interlinkages**).



These policy choices are made against fiscal constraints and opportunities for stimulus to ensure choices translate to development impact and leave no one behind (**Finance & Stimulus**).

SDG MOMENT: JORDAN

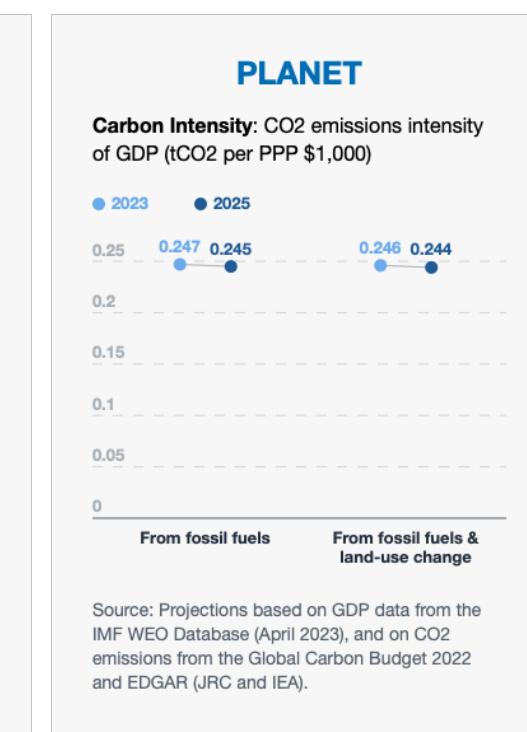
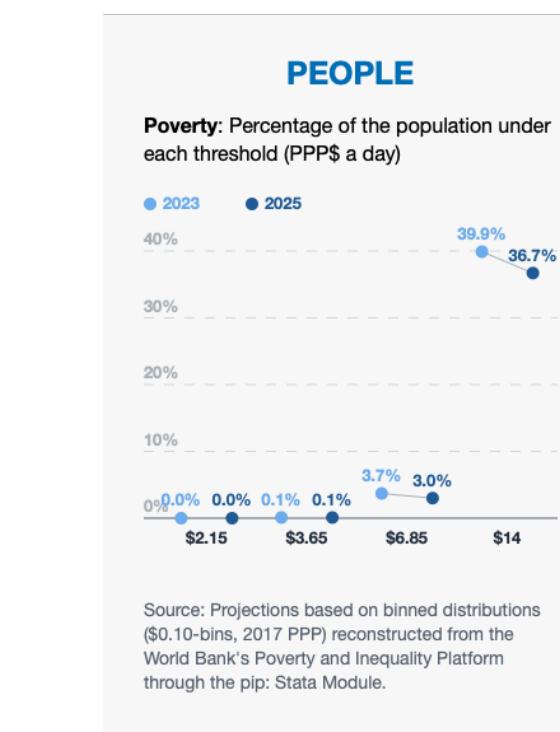
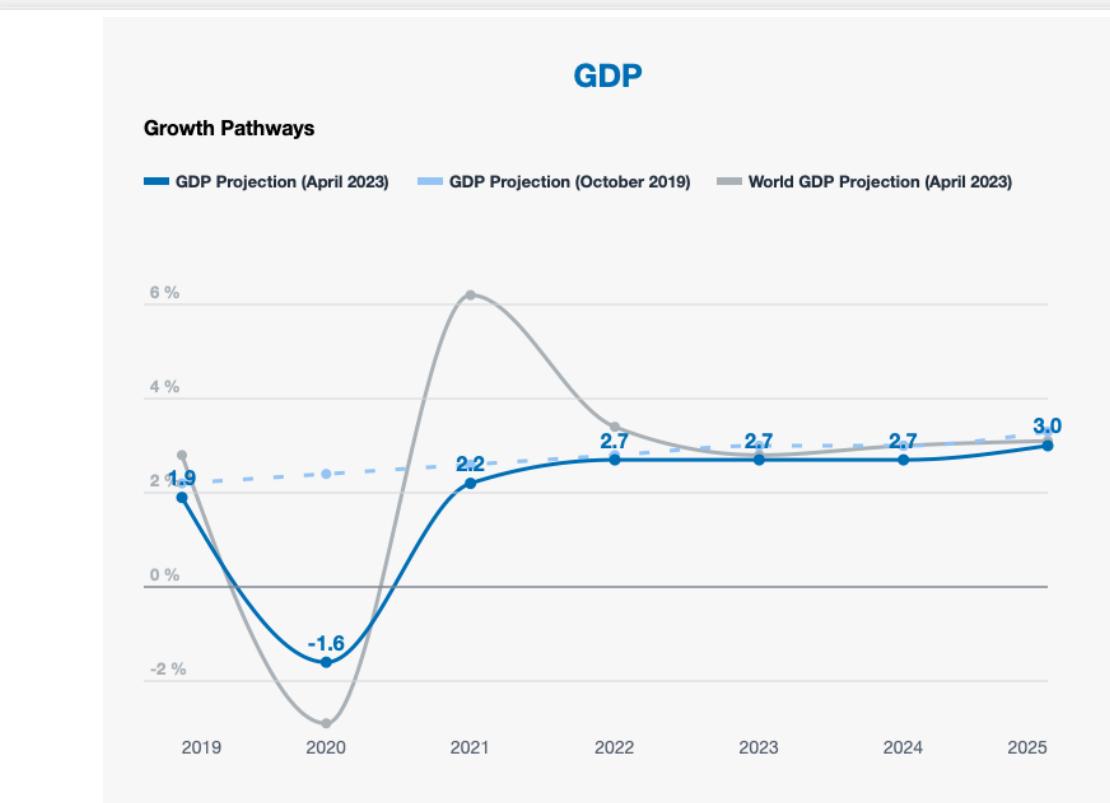
While economic growth is a key element in achieving the SDGs, many countries are intent on moving beyond growth as a yardstick for progress. In the short run, growth enables the SDGs; but in the long run, the SDGs aim to transform the pattern of growth itself.

Jordan's economy is projected to show moderate growth during the cycle 2023-2025.¹ With this pace of growth, characterized by being 6% lower, on average, than the global projection and by being aligned with the country's growth trajectory forecast before the pandemic, the SDG policy focus is on job creation as effects of the recent contraction.

Though moderate, this pace of economic growth is expected to exert a positive influence in reducing both the rate of poverty at \$6.85 a day and the share of those living under \$14 a day —or of being vulnerable to poverty. Moreover, this economic cycle would be somewhat less dependent on carbon emissions as the country's carbon emissions intensity of GDP is projected to decrease at an annual rate of 0.5% under current conditions.²

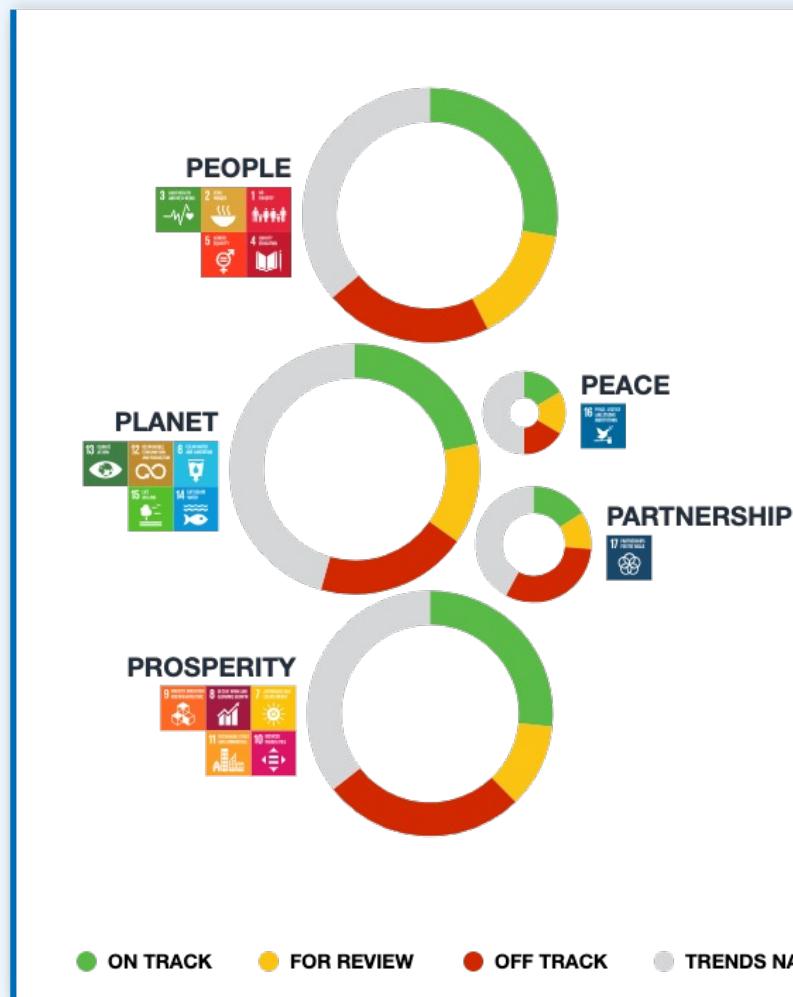
¹ The economic cycle is determined by adjusting the country's current GDP growth forecasts (April 2023) by their gap relative to the forecasts made before the pandemic and subsequent crises (October 2019). If the adjusted rates (not shown) are below 2%, the economy is considered in mitigation; it is coping if the adjusted rates range between 2%-4%, and it is in acceleration if they are above 4%.

² CO2 emissions intensity of GDP is computed as tonnes of CO2 per \$1,000 (2017 PPP).



SDG TRENDS

Understanding how Jordan performs against the SDG targets provides a baseline landscape against which to build integrated SDG pathways. SDG progress tracking follows [UN Stats](#) standards and [methodology](#), and is aligned with country profiles.



Trends in detail:

<https://data.undp.org/sdg-push-diagnostic/JORWithCountryGovInput/sdg-trends>

SDG PRIORITIES

Jordan's national priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents. This analysis uses a custom-built model for SDG classification. It considers 100k+ terms, including phrases and expressions.



Key documents for analysis:

1. Economic Modernization Vision
2. Updated Submission of Jordan's First Nationally Determined Contribution

Priorities in detail:

<https://data.undp.org/sdg-push-diagnostic/JORWithCountryGovInput/current-priorities>

SDG INTERLINKAGES

SDG interlinkages reveal how actions directed towards one SDG can impact others. Uncovering and understanding these interactions can help Jordan to achieve the 2030 Agenda for Sustainable Development and to navigate trade-offs.

Based on a global framework for interlinkages, Jordan's SDG progress is colour-coded at the target level.

Building from national trends and priorities, the following integrated SDG pathways reflect policy choices with the most potential to accelerate the SDGs for Jordan:

- Target 6.5: Implement integrated water resource management.
- Target 8.2: Diversify, innovate and upgrade for economic productivity.
- Target 8.5: Full employment and decent work with equal pay
- Target 16.6: Develop effective, accountable and transparent institutions



ACCELERATION PATHWAYS



SDG INTERLINKAGES

6.5: By 2030, implement integrated water resources management at all levels, including through transboundary cooperation, as appropriate

Jordan's annual renewable resources of 61m³/pc/y are just 20% of the threshold for severe water scarcity. Withdrawal of water is currently one-third above renewable limits, and demand is expected to exceed supply by 30% over the next decade. Rapid population growth, the overwhelming refugee influx and urbanization trends have put more pressure on natural resources, specifically water sources. Additionally, climate change is exacerbating the challenge through increased rainfall variability and more frequent droughts. Water stress is exacerbated by weak water infrastructure, damaged irrigation systems and misallocation of water resources.

The agricultural sector uses 49% of the total water budget, while contributing 3.5% to GDP and employing 3% of the workforce and has yet to modernize. Low agricultural productivity contributes to rural poverty, and family farms are often dependent on women's unpaid agricultural labour. As Jordan imports 95% of its food, the Ukraine crisis has increased the disruption of supply chains and increased inflationary pressures making it highly vulnerable to food price fluctuations. In 2018, Jordan's energy import reached 92% in the form of oil and gas, making it highly vulnerable to fluctuations in oil prices. Water supply relies on electrical energy as the electricity cost forms 50% of total water sector operating costs. Thus, energy is closely tied to water resources and food production through the water-energy-food nexus.

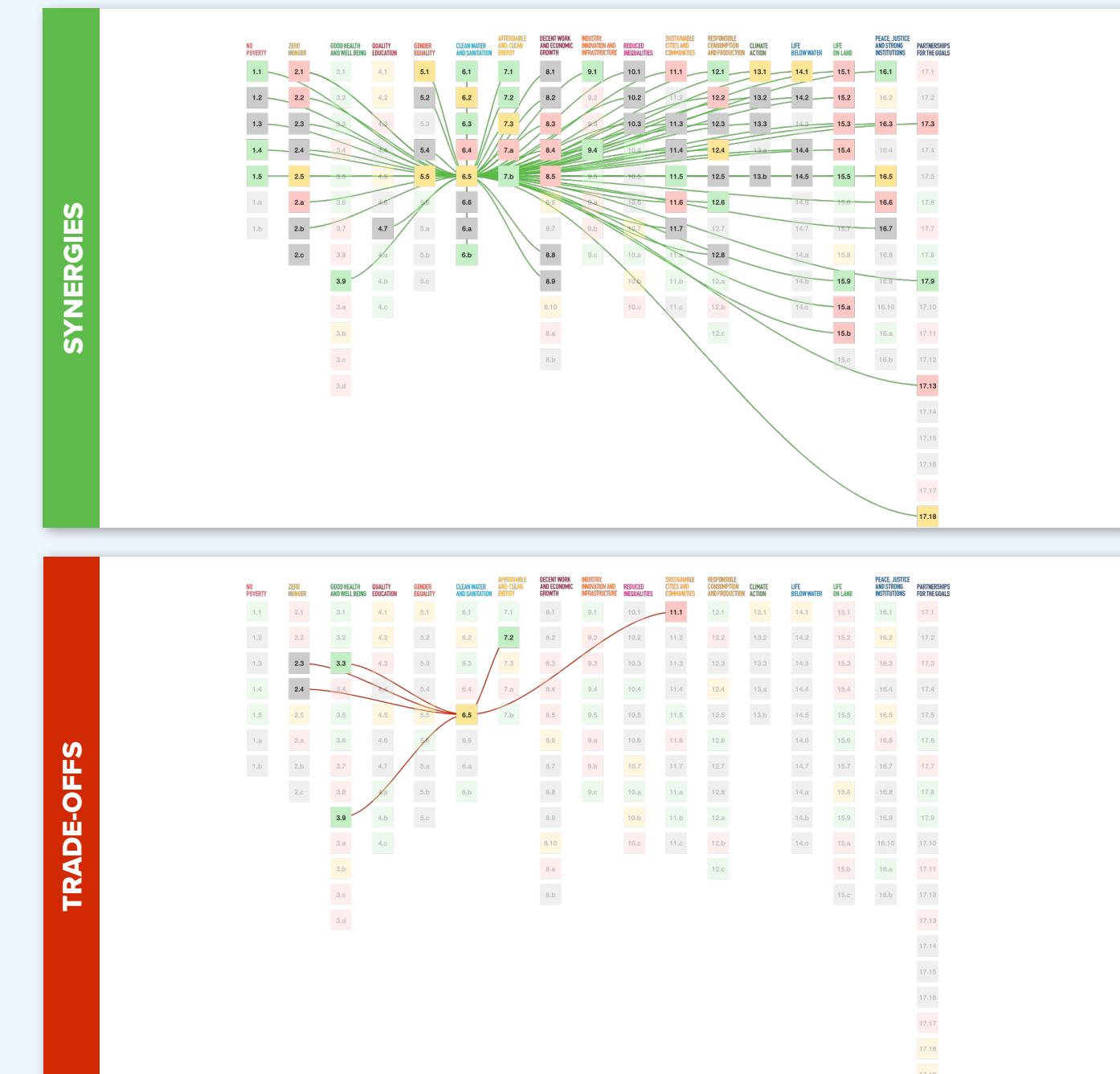
Jordan has a crucial opportunity to ensure water and energy conservation through tariff reform. To increase food security and boost rural incomes, Jordan's agricultural sector will need to shift towards greater use of recycled water and drought-resistant crops. Shifting to a green economy, particularly in the agriculture, tourism and energy sectors, can help revitalize the economy and create more dynamic, inclusive and sustainable growth. Boosting access to finance for green investment would help to harness the private sector to the green transformation agenda. Further, inclusive governance on the water-energy-food nexus will enable better implementation and enforcement of climate change policies and action plans. There are some real opportunities here for reforms and infrastructure development.

● ON TRACK

● FOR REVIEW

● OFF TRACK

● TRENDS NA



Explore the interlinkages at:

<https://data.undp.org/sdg-push-diagnostic/JORWithCountryGovInput/synergies-and-tradeoffs>

SDG INTERLINKAGES

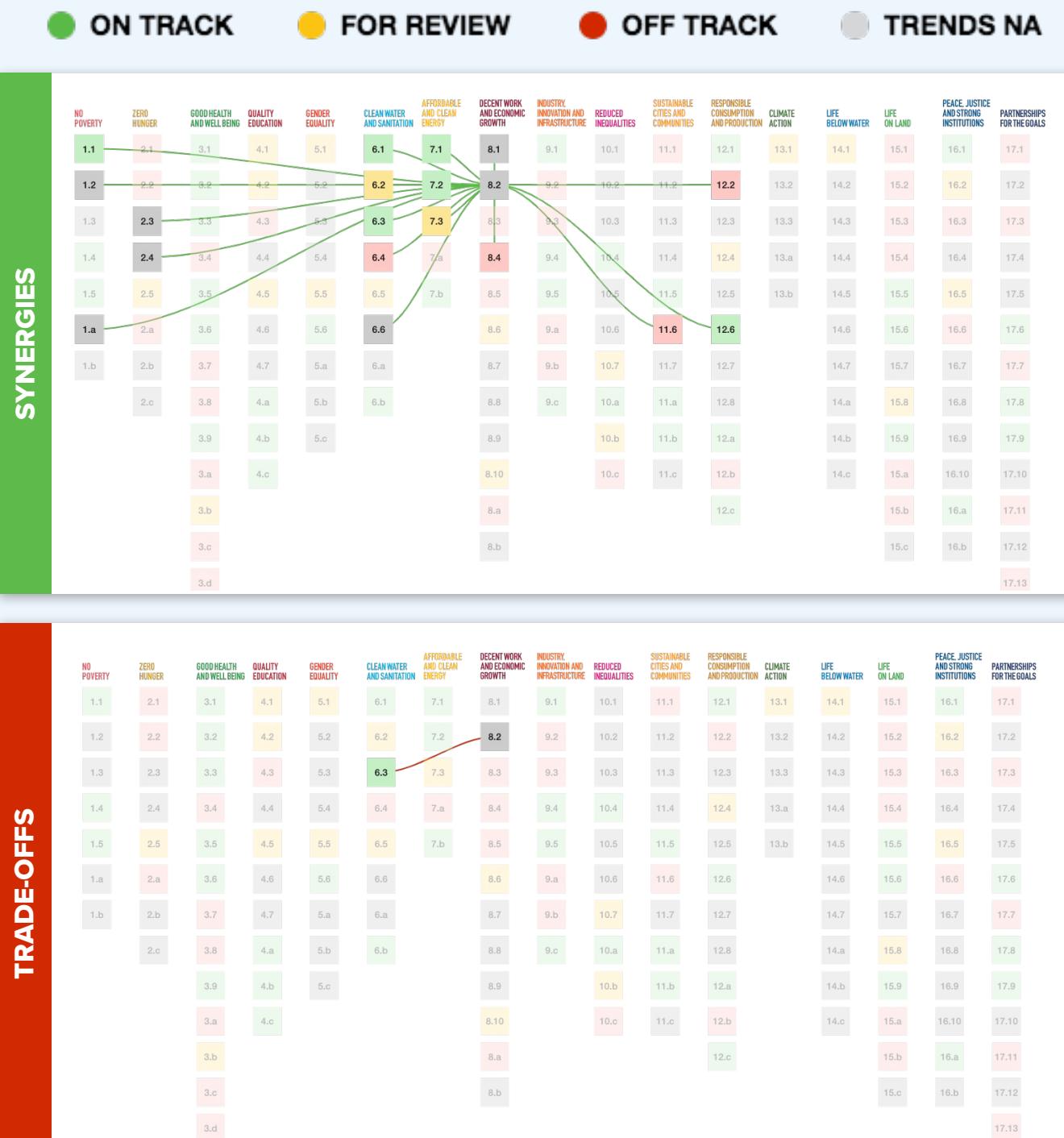
8.2: Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value-added and labour-intensive sectors

Public sector employment in Jordan accounts for 20% of GDP and 27% of recurrent expenditure. Jobs in the public sector enjoy a wage premium, permanent employment contracts and generous social protection. Meanwhile, half of all private-sector jobs are in micro-enterprises employing fewer than 10 workers and are often informal positions without social insurance or protection under the labour law. They are often filled by migrant workers and refugees, which depresses wages.

Secondary and higher education has had a traditional focus on producing public servants rather than ensuring the skills required for business, science or technology. Vocational training and education are seen as low-status alternatives for those unable to succeed in academic education. Jordan can no longer continue to expand public-sector employment and civil service numbers have been officially frozen for most of the past decade. Further, Jordan faces weaknesses in innovation.

To overcome this stagnating labour market, Jordan needs to rely on unskilled migrant workers to fill low skill jobs in order to free up more-skilled Jordanians for specific sectors and to focus on creating jobs that can harness the skills and creativity of young male and female Jordanians. The government has identified the knowledge economy as a sector with the growth potential to make Jordan a technology and innovation hub for the region, specifically to tackle challenges of storing solar energy and to protect resources.

A major effort will also be required to shift the expectations of young people and women and to equip them with the skills needed for a knowledge economy. This calls for partnerships between the government, the private sector and civil society organizations, with women and young people being well represented.



Explore the interlinkages at:

<https://data.undp.org/sdg-push-diagnostic/JORWithCountryGovtInput/synergies-and-tradeoffs>

SDG INTERLINKAGES

8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people with disabilities, and equal pay for work of equal value

Unemployment in Jordan is stubbornly high, reaching 24.1% in 2021. The Jordanian economy is challenged to absorb more than one million young Jordanians into the job market over the next decade. Young people and women are largely excluded from the labour market and face high rates of unemployment, 47.9% for 20–24-year-olds and 33.1% for women. Unemployment among women with university degrees is 75.8%. Jordan's rate of female labour force participation was 14% in 2020, compared to around 54% for men.

Unemployment shows little response to rates of investment due to rigidities in the labour market. Jordan needs to simplify processes for new formal enterprises to set up as it is currently ranked 75th in the Ease of Doing Business ranking. This has led to high rates of informality, and mismatches between the skills produced in the education system and the needs of employers. There are also notable barriers to the participation of young people, refugees, migrants and people with disabilities in the labour force.

In tandem with its efforts to diversify the economy, Jordan must equip its large, young, educated pool of workers for creating an investment environment, promoting entrepreneurs, start-up incubators and value chains. It needs to improve its ease of doing business to allow job creation in the formal private sector.

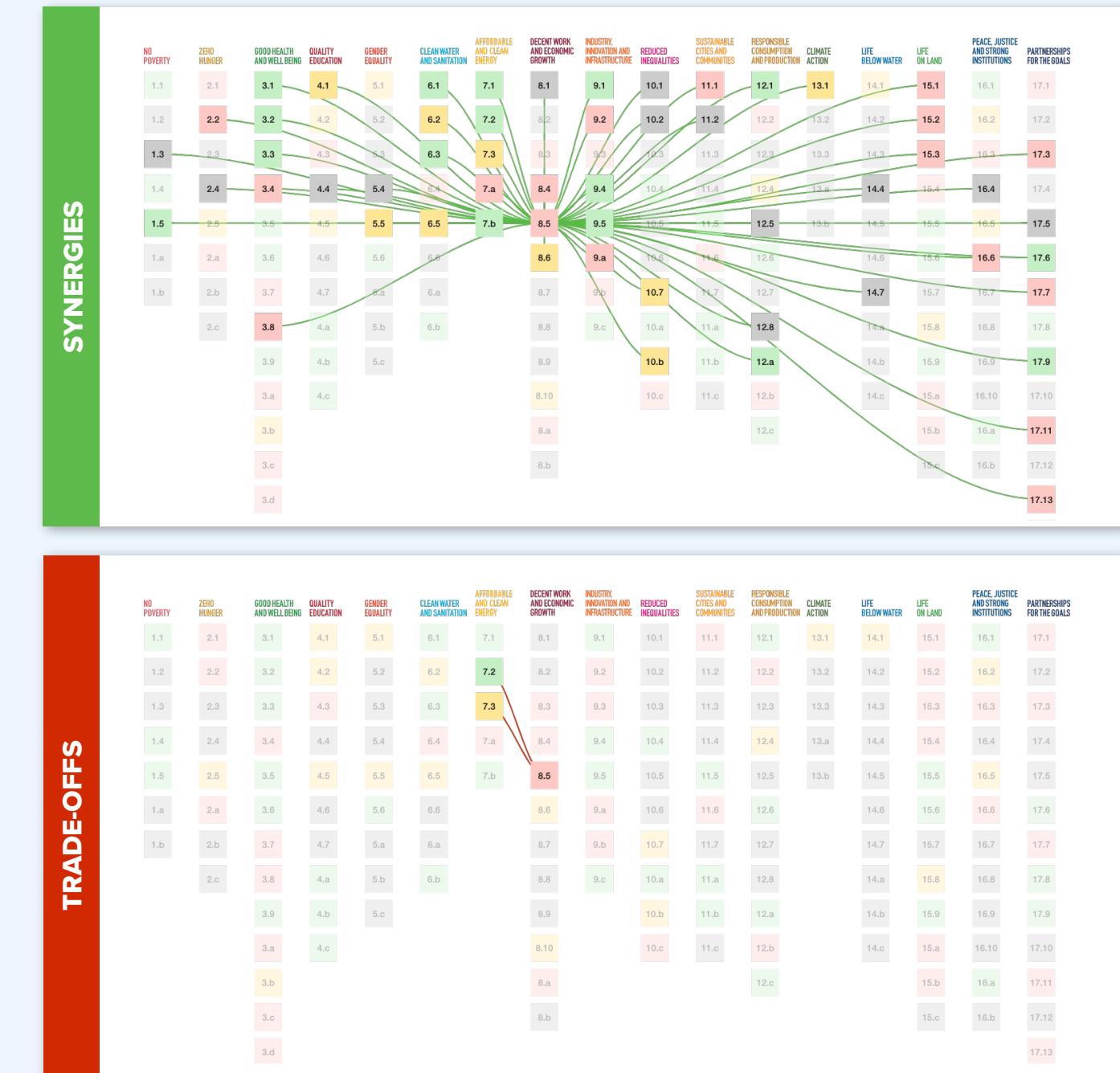
This will require removing bottlenecks, improving access to finance and value chain integration, simplifying legislation, enhancing services and infrastructure and promoting female Labour Force Participation. Also, Jordan should improve the labour market information systems and provide social protection to increase productivity and raise awareness among women on taxpayer rights and social protection. Finally, improvements to the quality and relevance of education and skills are crucial to remove the gap between demand and supply of a skilled workforce.

● ON TRACK

● FOR REVIEW

● OFF TRACK

● TRENDS NA



SDG INTERLINKAGES

16.6: Develop effective, accountable and transparent institutions at all levels

Jordan's institutional capacities could benefit from the development of more comprehensive implementation plans, including explicit actions, clearly defined institutional roles, and sufficient financial resources for a more effective execution of its policies and strategies. Mandates are often unclear and overlapping and cooperation across institutions is challenging. High turnover of leadership in government institutions creates incentives to launch new high-profile projects and initiatives, rather than sustain progress on long-term reforms. Many of the SDGs require partnerships with business and civil society, which remain in their infancy. There is a shortage of data in many of the key policy areas, and the data that is collected is often not informing policymaking. Given the tightening fiscal space, boosting the efficiency and effectiveness of government is an urgent priority to implement the Renaissance Plan, which includes decentralization, electoral reform and measures to improve government performance, as well as addressing the risks of corruption around public procurement that are aided by a lack of transparency and high levels of bureaucratic discretion.

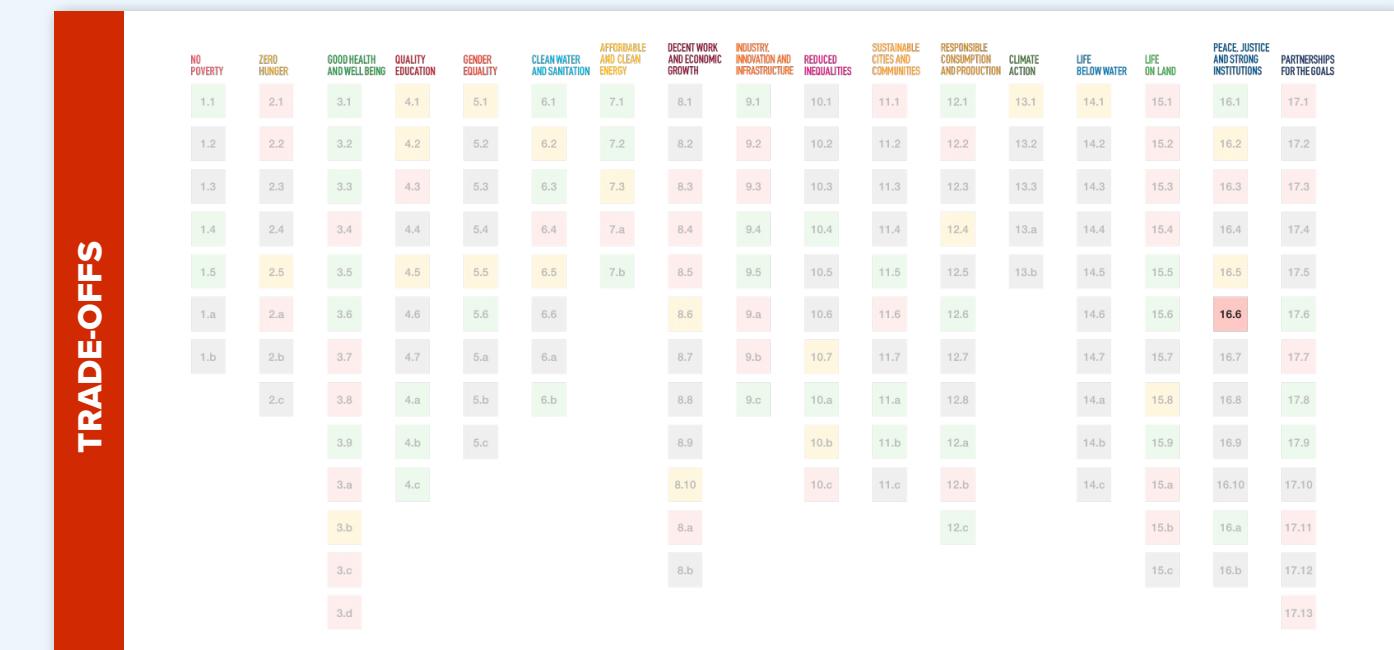
If Jordan is to achieve its development objectives, there will need to be a refreshing and reenergizing of its governance and budgeting processes. This would be helped by executing just and inclusive tax enforcement and promoting a culture of openness in government and accountability for results. This is in addition to the need for available, comprehensive and regularly updated data to ensure full monitoring and evaluation on the effectiveness of implementing economic modernization vision. The application of the Integrated National Financing Framework (INFF) is helping to address problems in development policy implementation, specifically in defining the financing strategy, monitoring system and a governance mechanism in Jordan.

● ON TRACK

● FOR REVIEW

● OFF TRACK

● TRENDS NA



Explore the interlinkages at:

<https://data.undp.org/sdg-push-diagnostic/JORWithCountryGovInput/synergies-and-tradeoffs>

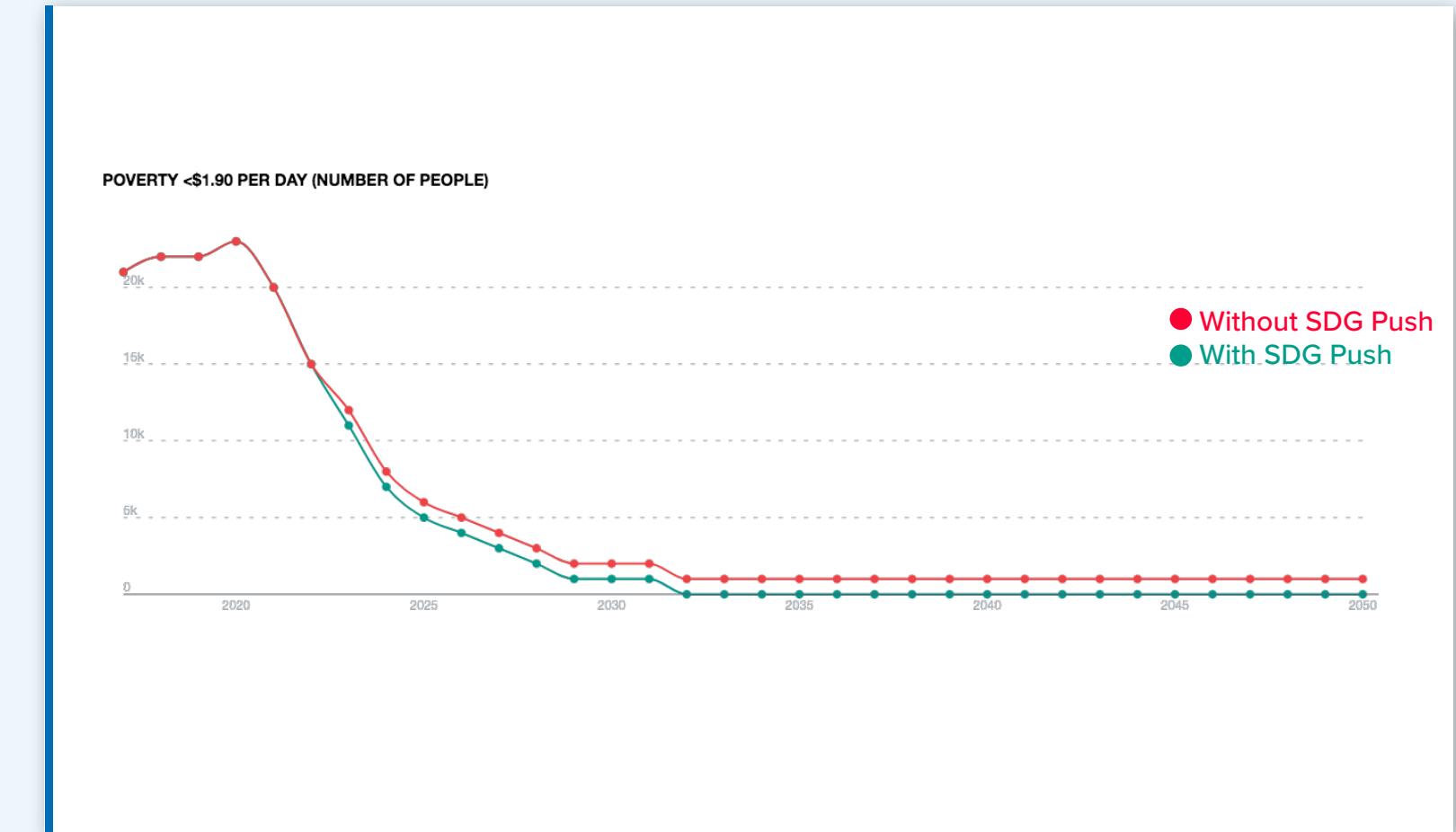
FUTURES SCENARIOS

Achieving the SDGs is possible.

The ‘SDG Push’ is a futures scenario based on 48 integrated accelerators in the areas of Governance, Social Protection, the Green Economy and Digital Disruption. It uses national data to explore the impact on human development by 2030 and by 2050 across key SDG indicators.

Incorporating ‘SDG Push’ accelerators into development interventions in Jordan can reduce the number of people living in poverty over time.

People living in poverty	By 2030	By 2050
Without the SDG Push	2,000	1,000
With the SDG Push	1,000	0



Explore SDG Futures Scenarios at:

<https://data.undp.org/sdg-push-diagnostic/JORWithCountryGovInput/future-scenarios>

FINANCE & STIMULUS

Many countries are facing reduced fiscal space, high debt levels, rising interest rates and downgrades on credit ratings. Fiscal and financial constraints tend to slow or even reverse SDG progress.

The radar diagram shows low frequency data points linked to government revenue and debt as a proportion of GDP and the natural resource share of total revenue. The financial indicator graphs show external debt servicing relative to revenue and the country's sovereign credit rating and 10-year bond yield.

Jordan's gross government debt, projected at 87.9% of GDP in 2023, is more than 19 percentage points (pp) above the emerging market and middle-income economies (EMMIE) group average. The country is projected to collect close to 26% of GDP in revenue this year, which is the same level as the EMMIE group.

Jordan's external debt servicing relative to revenue is projected to reach 16.8% this year compared to 12.3% for the average EMMIE. The country's credit rating is in the 'highly speculative' category and below the EMMIE average. The weak rating is also reflected in the country's 10-year bond yield which is trading at 11.6% - 2.2 pp above the EMMIE average and close to 8 pp above a 10-Year US Treasury bond.

Jordan is using an INFF to address key fiscal and financial constraints and to build a more sustainable financial architecture at the national level. Priority reforms have been identified in the areas of public finance, green growth and inclusive growth. This includes SDG-aligned tax and revenue reforms, SDG bonds, debt swaps and other innovative financing instruments; SDG-aligned tax expenditure in sectors such as water, energy, agriculture and tourism; an SDG-aligned business environment and investments; SDG-aligned blended and public-private finance; SDG-committed financial and insurance sectors; and SDG-aligned diaspora bonds and trust funds.

LOW-FREQUENCY INDICATORS

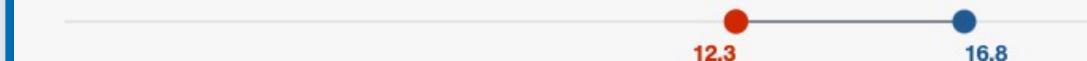
● JOR ● EMMIE Average



FINANCIAL INDICATORS

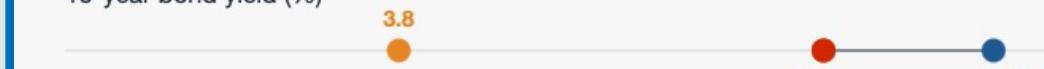
● JOR ● EMMIE Average ● US Treasury bond

Total external debt servicing (% of revenue)



Credit rating

10-year bond yield (%)



Notes: External debt covers public and publicly guaranteed debt. The EMMIE average of resource revenue (% of revenue) includes the 60 economies that reported data for that indicator, that of 10-year bond yield (%) includes 30. The credit rating shows the numerical average of S&P's, Moody's, and FITCH's ratings, expressed in S&P's scale in brackets.

Sources: UNU-WIDER GRD (resource revenue, data from 2021), IMF WEO April 2023 (debt and revenue, forecasts for 2023), IDS (external debt, data from 2023), worldgovernmentbonds.com and Haver Analytics (yields as of 8 June 2023), S&P, Moody's and FITCH (credit ratings, data from 2023).

SDG STIMULUS

The UN Secretary General's SDG Stimulus Plan lays out a blueprint for action within the existing financial architecture. It includes:

- Providing liquidity to support recovery in the near term
- Enhancing debt relief for vulnerable countries
- Expanding development financing by MDBs
- Aligning financial flows with the SDGs and the Paris Agreement, according to country-level priorities and needs, for example through the roll-out of the UN Integrated National Financing Framework (INFFs).

Given the projected fiscal and financial constraints faced by Jordan, possible funding options for the investments derived from the identified interlinkages are as follows:

- Tax and revenue reform
- Debt for SDGs
- Climate finance
- Blended and public-private finance
- SDG-aligned business environment and investment
- Accessing financial markets and insurance

United Nations Secretary-General's SDG Stimulus to Deliver Agenda 2030

FEBRUARY 2023



METHODOLOGY

Click [here](#) to view the Methodological Note for the Integrated SDG Insights



SDG MOMENT

Methodology

Assesses challenges and opportunities in national growth trajectories with insights on environmental sustainability and inclusiveness.

Data Sources

Future trajectories to 2025 are based on IMF-WEO GDP projections, distributions of per capita income or consumption from the World Bank, and CO₂ emissions from the Global Carbon Budget 2022 and EDGAR (JRC and IEA).



TRENDS & PRIORITIES

Methodology

SDG trends tracks progress from 2015 to date for the 231 indicators. National priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents.

Data Source

Trends utilizes official [UN statistics](#) to assess [SDG progress](#), supplemented with national data when available. Priorities uses a custom-built model for SDG classification. The policy documents analyses are provided by Governments.



INTERLINKAGES

Methodology

Global target-level interlinkages are drawn from the [KnowSDGs Platform by European Commission](#). SDG interlinkages were retrieved through a structured literature review in Scopus and Google Scholar to tap both grey literature and peer-reviewed publications as a source of information.

Data Source

The exercise globally considered a total of 454 documents published from 2015 to August 2022. ([Miola et al., 2019](#) updated in [2021-2022](#))



FINANCE & STIMULUS

Methodology

Provides insight into indicators of fiscal and financial stress with options (INFF) for stimulus and other means to accelerate progress.

Data Source

Most recent resource data from UNU-WIDER GRD (between 2018 and 2021), debt and revenue from IMF WEO (between 2020 and forecasts for 2023), external debt from IDS (2023), yields from Haver Analytics (8 June 2023), credit ratings from S&P, Moodys and FITCH (2023), and DSA ratings from World Bank/IMF (31 May 2023).