

**Front Page of the IRs Report**  
**On the 7<sup>th</sup> Biannual Report**

**INDEPENDENT REVIEWERS TECHNICAL REVIEW OF THE SEVENTH**  
**BIANNUAL REPORT OF THE JORDAN FOCAL POINT (JNFP)**  
**BADIA RESTORATION PROJECT**  
**PROJECT 5000304**

**REPORT REVIEW**

The 7<sup>th</sup> Biannual Report of the Jordan NFP has been reviewed and reported in the following project reviews corresponding to the *FIVE Chapters of this Report*.

**OVERALL ASSESSMENT OF PROJECT STATUS IN CURRENT REPORTING PERIOD**

*The IRs are deeply concern over the Project future and its Management Unit (PMU) due to multi reasons: first is the sudden change of PMU Director (Dr. Fardous on 3 September 2012) without a full-functioning replacement; second, the resignation of the Chief Finance Officer. In addition to the possible early withdrawal of the UNCC from its oversight and management responsibility. The currently-reviewed six months (January - June 2012) witnessed the delivery of some significant outputs. Among those: producing a Revised version of the CAP document; initiating three Rangeland Cooperatives to lead restoration activities; construction of some 16 water ponds (Hafirs) and making a substantial work in delivering socio-economic incentives including (distributing of Barley seed in two patches, distributing 12 small Milking Machines; purchasing 13 Vet Clinics, training of some 40 Para-vets, and giving away 372 improved sheep and 80 rams). The Accounting System (ALFA) to replace the old EXCEL) requires staff training before it is declared “operational and functional”. Of utmost priority is filling the gap at the Administrative/ Supervisory level, particularly when UNCC phases-out. The IR’s are real concerned over the fact that UNCC expressed their plans for an “early hand-over of the Project supervisory role” to the Government, who in the IR’s judgment, didn’t establish yet the adequate control measures and procedures on ground within the NFP to handle that (Executive Head of UNCC letter to the Min. of Environ. dated 23 December 2010, refers).*

**KEY ISSUES**

## KEY ISSUES

### *I. The following significant issues are reported for the UNCC consideration, related to the 7<sup>th</sup>.NFP Biannual Report*

1. Future Role of the UNCC. The Jordan Badia Restoration Project is facing a precarious situation due to the blurred vision and the recent change of the Ministry of Environment) and to eroding of the Project Management Unit Senior Staff (including the sudden change of the Director and resignation of the Chief Finance Officer). This was compounded with a “*planned hand-over*” of the UNCC mandate, which is coming at a time when a Revised CAP document is put forward with ambitious plans to have a fresh resumption of actual rangeland restoration work in the Jordan Badia.
  
2. The Revised Community Development Plan (CAP). The new version of CAP Framework is presented in this current 7<sup>th</sup>. NFP report. The IR’s reviewed the new CAP and have these conclusions to make:
  - The details of the projects/activities ought to be “revised and scrutinized” for keeping allocations fairly-distributed over barely incentives to cover the entire time period of the CAP activities till 2019.
  - There are some remaining funds of \$39.5 million which are not accounted for in the CAP budget, a main issue that has to be addressed.
  - The Range Restoration activities include the implementation of bio-physical interventions focusing on the 12 Watersheds selected based on their potential; as well as extending of the Rangeland Cooperatives activities in resting and sustainable grazing management role to cover the entire Jordan Badia, wherever feasible.
  
3. Barely Distribution. The *present suspension* of this major feed material provided to livestock owners as incentives, should allow conducting a proper assessment to the past distribution of Barley (distributed in two patches, early in 2102), whereby lessons-learned from that operation should be comprehended. The UNCC has requested NFP to prepare an “Assessment Report”. Barley constitutes the most significant (and costly) item among the Socio-economic Incentives and was prescribed in the F4 Panel Recommendations as an important tool for Range Resting. The distribution mechanism ought to be conducted and supervised by *Rangeland Cooperatives* and the scheme be provided with adequate human and financial resources. The involvement of the Cooperatives is an assurance to sustain the scheme towards achieving the Restoration Project objectives. It is the hope of the IR’s to have another chance to evaluate the (technical and financial aspects) of the Barley Scheme upon completion of the Assessment Report.
  
4. Rangeland Cooperatives. The establishment of Cooperatives was prescribed in the F4

Panel Recommendations as the main mechanism by which Badia restoration can be achieved and managed. This main component was much-delayed and therefore, it requires a real focus in terms of staff time and financial allocations in future implementation of the CAP activities. The Rangeland Cooperatives are the realistic vehicle to conduct the BRP and linking the barley incentives to restoration of damaged ecosystems. Therefore, more resources need to be allocated from other activities (Wala Dam, rangers and guards, field crew, etc) to enhance the capacity of these Cooperatives.

5. Land Tenure. Implementing Land Tenure approaches/alternatives would require political commitment, coupled with a lot of team work and collaboration, lobbying and advocacy for introducing the change. The Land Tenure issue is a major concern in Jordan (it can impair or facilitate the Project work).
6. Monitoring and Evaluation. This M&E for the Project is a duty which cannot be over-emphasized and it should be performed all through the Project lifetime. The idea of assigning a “Private Firm” to do that is alright, provided that an adequate supervisory party is following-up their work. Such follow-up task is facilitated with identification of some “measurable parameters” that were suggested and need to be updated and modified in light of funds available, lessons learned and management capabilities.
7. Capacity Building of Badia Communities. In view of the high rates of poverty among Badia inhabitants, the F4 panel made a clear reference to “*improving the livelihood levels*” of the communities, while working towards reaching the Badia Restoration. Parallel efforts focusing on capacity-building of the local people is of equal significance including: involvement in Rangeland Cooperatives, training as vet assistants and learning the livestock healthcare and nutrition services, etc.
8. Accounting System. The Project managed to purchase an Accounting System, yet for declaring this system “operational and functional” some more time is necessary for fine-tuning for replacing the old EXCEL, and getting adequate training and testing of the new software, as well as all financial procedures.
9. Project Coverage. The project activities should not be limited to the selected 12 potential watersheds taking in consideration the existing and future potentials, cost effectiveness, and more importantly the possibility of establishing functioning and sustainable cooperatives.
10. Completed Projects/Activities. IR/Alhamad is drawing the attention to some outstanding issues related to some “closed projects”. The Baseline Studies reporting showed “no revised work was reported by the PMU on the final report related to (hydrological studies, accurate estimation of carrying capacity, etc.). The other is the Shaumari project where final words were missing on (fence repairing cost, inadequate

work on reserve carrying capacity and finding out minimum viable population of Oryx). Proper financial and technical auditing ought to be conducted for these two projects / activities which were declared completed.

***II. For the attention of the UN CC Governing Council:***

1. The IRs **recommend to accept,** in principle, the submitted Revised CAP document (taking fully into account the IRs comments in this Report), since it was endorsed by the Government Steering Committee of the Project and it represents a clear improvement of the previous versions.
2. The IRs **call upon** the GC to consider seriously the state of readiness in Jordan NFP to take-over the Badia Restoration Project from the UNCC (in terms of physical and human resources), to ensure governance and accountability over Project funds.
3. **Urge** the Minister of Environment (as the National Focal Point) to expedite filling the vacant posts in the Project Management (starting with a capable accountable and technically qualified professional Director) to lead the Badia Restoration Project work.
4. In view of the recent development in the Project Management and Administration; the IRs believe that it might be pre-mature for the UNCC to disengage at this point in time; meanwhile both UNCC and IRs ought to intensify their assistance and guidance provided to Jordan NFP in order for them to properly satisfy the requirements by December 2013.

## REQUESTED FUNDING RELEASE

The Jordan NFP has requested the following funding releases for the Project.

**January 2013 – June 2013**

Administration costs, including IRs and External Auditor contracts

- DBIU (operational expenses)

**Total to be released**

**\$US**  
324,7501

23,100<sup>2</sup>

**\$ 347,850**

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Comments on the Fund Release :

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<sup>1</sup> The sum is for the next 6-months cycle.  
<sup>2</sup>This sum is "operational cost" for this Unit. IRs request the conditional release of this fund due to the fact that PMU are engaged with Hashemite Fund (where Unit is located) in a negotiation related to future destiny of the Unit. A decision could be reached any time, thus the fund is needed. Taking into account that the "Special Account" has no funds remained for the Administration budget.

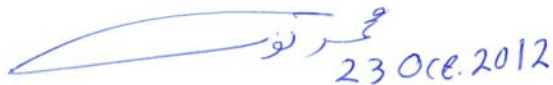
**IR REVIEW STATEMENT**

The following Independent Reviewers team members certify that the review of the NFP report is complete.

Dr. Mahmud Ayed Duwayri

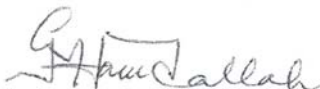


Dr. Mohammad Noor Alhamad

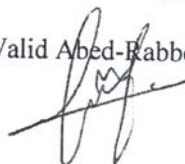


23 Oct. 2012

Dr. Ghassan M. Hamdallah



Dr. Walid Abed-Rabbah



Mr. Mustafa Abuarja



<b>REVIEW OF KEY ISSUES FROM PREVIOUS 6<sup>th</sup>.IR REPORT</b>	
<b>The following significant issues are summarized below and reported to the UNCC for their consideration.</b>	<b>IRs COMMENT ON NFP ACTIONS TO ADDRESS KEY ISSUES</b>
<p>1. Despite the repeated concerns expressed by the IRs, the NFP/PMU capacity and performance is short of been adequate. The obvious delays were in recruiting their necessary staff and in installing and operating a Finance Control System. It is our belief, therefore, that PMU with its present capacity is not fully capable to supervise, coordinate, monitor and evaluate the implementation of CAP. IR Alhamad is concerned with the unjustified delay in recruiting rangeland expert to replace the resigned one which contributes to weak performance of PMU.</p>	<p>1. The PMU, unfortunately, has faced recently another blow by the <i>sudden departure</i> of its Director, Dr. A.N Fardous (as of 3 September 2012) and by the resignation of the Chief Finance Officer. This is been looked at by IR's as most serious due to the fact that PMU has just purchased an the Accounting System to facilitate the flow of information between all functions inside the organization and to improve the internal accounting control and quality of the output/ reporting.</p>
<p>2. Of major concern to the IRs that the proposed CAP adopts several projects/ approaches that do notfall under the F4 panel recommendations. So, the IRs recommend that JNFP to consider major revision of the CAP to be in line with the F4 panel recommendations.</p>	<p>2. The NFP has submitted (as part of this present 7<sup>th</sup>. Biannual Report) a Revised Version of the CAP and this IR's report is giving their evaluation to the new CAP</p>
<p>3. In spite of the expressed request by the UNCC to phase-out by the end of 2012; yet no clear actions have been taken by the Government on how to proceed. A decision by Jordan Government needs to be taken, as early as possible, so as to avoid any interruptions or gaps that would negatively affect the performance of Badia Restoration Project.</p>	<p>3. This concern was raised by the IR's then (in 6<sup>th</sup>, Report) and still is a major worry to the UNCC and to the IR's. The Government managed to make some moves, including: initiating the establishment of an <u>Advisory Panel</u> to supposedly assume the Project over-sight and even the "Technical Backstopping". The Government readiness, in terms of providing the Project PMU adequate staff and capable advisory bodies, has a long way to go. The IR's evaluation of the NFP response to GC 269 has more information on this point.</p>
<p>4. The IRs believes that still there is a need to diversify and enlarge the list of implementing agencies and not to limit it to public institutions but to consider CSOs, NGOs and private sector while keeping the rangeland cooperative as the major implementing partner in BRP.</p>	<p>4. No change on this point was reported. The explanation was always given that implementing through public institutions (i.e. ministries /official offices) is easier to tackle mandates and jurisdiction issues.</p>

<p>5. .Of major concern to the IRs is the efficiency, cost effectiveness and feasibility of certain activities and approaches suggested in the new CAP such as the water harvesting measures, range rehabilitation, establishing range reserves, land tenure revision and the relations between resting lands and the barley subsidy.</p>	<p>5. This issue is still a main concern but with little answers are given. As much as these issues are of basic importance and relevance; their cost-effectiveness, feasibility and measuring the impact on range restoration; are all either hard to quantify and gauge and / or requiring a long time of cumulated impact to show its results. Therefore, PMU have to follow the F4 panel recommendations which proposed the natural recovery as proved and cost effective restoration scheme, supported with range resting through proper feed incentives to herders.</p>
<p>6.IRs recommend to the assessment of barely incentives and pricing to be sure that this activity has produce the expected output including the resting of rangeland that will facilitate the natural recovery of damaged ecosystems. Also, the IRs recommend that the revised CAP include the reverse auction mentioned in the F4 panel to reduce the livestock population to match the carrying capacity of Badia rangeland.</p>	<p>6. This recommendation has been adopted recently by the UNCC and therefore, a request sent to PMU to prepare an “assessment to the past phase of Barley distribution scheme”. Some 60 thousand tons of Barley seeds were distributed in 2 patches to livestock owners during the 1st quarter of 2012). <i>Reverse Auction</i> was not included in the revised CAP as an option to match the livestock populations to Badia carrying capacity as well as to prevent future proliferation in the animal numbers. This option should be tried through the Rangeland Coops.</p>
<p>7. IR Alhamad is concerned with overall transparence of Shaumari project and the appropriate use of fund. He requests the NFP to carry out financial and technical investigation to verify the pending issues on fence repairing cost, inadequate work on reserve carrying capacity and finding out minimum viable population of Oryx</p>	<p>This project was declared 100% completed.  However, IR Alhamad, noticed that these pending issues were not resolved yet and encourages the PMU to conduct a proper audit to clarify the technical and financial status of Shaumari project.</p>



<b>CHAPTER I: MANAGEMENT &amp; ADMINISTRATION BADIA RESTORATION PROJECT</b>			
<b>I. REVIEW &amp; EVALUATION</b>	<b>Yes</b>	<b>No</b>	<b>Notes/Issues</b>
<p>A. General Management</p> <p>a. Are the management and administration structures, roles and responsibilities clearly explained for the project?</p> <p>b. Have there been any changes or updates to the program management cycle in the last reporting period? If so are they reasonable? If not should there have been changes?</p> <p>c. Have management and administrative activities since the last reporting period been adequately explained and are reasonable and appropriate?</p>	<p>X</p> <p>X</p> <p>X</p>	<p>X</p>	<p>General Management</p> <p>a. The Project admin has acquired an Accounting system and engaged in training relevant PMU staff to be trained on the new system. This process needs additional time to declare the system “operational and functional”. System for ensuring good governance and control over Project financial resources.</p> <p>b. The PMU Director’s contract was not extended beyond 3 September 2012. Also the Chief Finance Officer has resigned.</p> <p>c. No. All the changes in the PMU staff were not announced, and no adequate replacements were made. No, as explained above.</p>
<p>B. Procurement/Contracts</p> <p>a. Have the applicable Government procurement laws and regulations been provided.</p> <p>b. Are the procurement processes conducted according to the applicable laws and regulations of the Government?</p> <p>c. Is there a system for tracking of contracts, monitoring adherence to the conditions of the contracts?</p> <p>d. Is there independent verification of field work conducted in accordance with contractual obligations to ensure transparency?</p>	<p>X</p> <p>X</p>	<p>X</p>	<p>a. As per the Government rules and regulations, Tendering must be followed. Having a Procurement Officer on PMU staff should be an added value.</p> <p>b. Very much so, as per the NFP reports.</p> <p>c. As much as available to the IRs. This duty is followed—up by the PMU. The contract of the External Auditor seems to focus on such tracking system. The Accounting System (ALFA) has a PO application, but it was not purchased by PMU.</p> <p>d. The “<u>internal accounts and procedures</u>” are done by the EA, but his contract doesn’t involve the verification of contractual obligations.</p>

**CHAPTER I: MANAGEMENT & ADMINISTRATION  
BADIA RESTORATION PROJECT**

<p>e. Database &amp; Information Unit:</p> <p>Is the DBIU well established to respond to the need of the project?</p>			<p>e. The situation with Data Base &amp; Info Unit is as follows:</p> <ul style="list-style-type: none"> <li>• The budget to maintain the DBIU work was suspended for the current reporting cycle.</li> <li>• Some disagreement also occurred recently with Hashemite Fund for Badia Development (the host for this Info Unit), which led to moving the Unit out of the Fund premises.</li> <li>• PMU should seek a proper place to host the Unit.</li> <li>• In addition, the involvement of this Unit in the future work of Revised CAP should be identified. For example, DBIU role could provide (digitized data, delineation of range land sites, landscape level monitoring of recovered ecosystems via remote sensing technology, and other info tools) in supporting implementation of the CAP activities.</li> </ul>
<p>C. Special Issues</p> <p>a. Any special issues reported? If so, are they to be reported to the GC and is adequate detail available to do so?</p>	X		<p>a. IR/AlHamad noticed that many data which were part of Baseline Studies (i.e. hydrological studies, accurate estimation of carrying capacity, etc.) were not reported to be revised by the implementing institutions.</p>

**CHAPTER II: GENERAL FINANCIAL MANAGEMENT  
BADIA RESTORATION PROJECT**

<b>I. REVIEW &amp; EVALUATION</b>	<b>Yes</b>	<b>No</b>	<b>Notes/Issues</b>
<p>A. Introduction (General Financial Management)</p> <p>a. Are the overall figures reasonable for the reporting period and activities planned?</p> <p>b. Are there any items to be addressed in general?</p>	X	X	<p>a. An Accounting System has been acquired, but it is not sufficient to meet all project requirements. Additional steps are needed including:</p> <ul style="list-style-type: none"> <li>• select a team from each domain to ensure that the system design is appropriate;</li> <li>• decide whether to acquire more modules/applications rather than the General Ledger (GL) application only.</li> <li>• the accounting software capability to meet the project's needs should be evaluated by the EA.</li> </ul> <p>b. The accounting and reporting manual</p>

**CHAPTER II: GENERAL FINANCIAL MANAGEMENT  
BADIA RESTORATION PROJECT**

If so, what?			<p>should be reviewed and evaluated to ensure that the accounting system provides wide range of accounting reports. And will enhance the internal accounting control and records keeping and improve reports building and generating to help the users of financial reports in the decision making process.</p> <p>For the purpose of reconciliation between the two accounting system, does the 7<sup>th</sup> biannual report built in the two system data base, or only in excel? The implementation should include the reporting template and standard financial statements.</p>
<p>B. Accounting Systems and Procedures</p> <p>a. Are there any changes or deviations reported?</p> <p>b. If so, are they adequately explained?</p> <p>c. Is the statement of compliance included?</p>		<p>X</p> <p>X</p>	<p>b. Accounting Systems and Procedures</p> <p>a. PMU decided to purchase the accounting software including the General Ledger applications which makes the system with limited features, similar to the old EXCEL.</p>
<p>C. Procurement</p> <p>a. Is the statement of application of regulations and policies included?</p> <p>b. Are there any reported changes or deviations from the applicable laws?</p> <p>o If so, are they adequately explained?</p> <p>o Are they reasonable?</p> <p>c. Has appropriate information been provided in regards contract tendering processes and numbers of signed contracts, etc.</p> <p>d. Are the overall numbers related to procurement reasonable for the implementation in progress?</p>	<p>X</p>	<p>X</p> <p>X</p> <p>X</p>	<p>a. Just stating that the “governmental laws and regulations were applied.”</p> <p>b. However, a quality manual is required to outline the policy of purchases and ensure that purchased products conform to specified purchase requirements and in line with budgeted prices and quality. Additionally, an adequate external audit activity has to be efficient to ensure and maintain reasonably detailed and accurate record.</p> <p>c. The NFP needs to provide the procurement chronologies on the template provided last December.</p> <p>d. This is exactly what the IRs have been calling for having a real “<u>Technical Backstopping Missions</u>” which the BR Project is lacking since its inception. Given that the External Auditor contract doesn't include auditing the field implementation and progress of activities; then some</p>

**CHAPTER II: GENERAL FINANCIAL MANAGEMENT  
BADIA RESTORATION PROJECT**

<p>e. Overall, are there sufficient controls in place to ensure transparency?</p>			<p><i>Supervisory Body</i> should assume this duty.</p> <p>e. It seems that the only control tool there is through the Governmental Audit Bureau.</p>
<p>D. Audit Systems and Procedures</p> <p>a. Are external auditors in place?</p> <p>b. Are there any reported changes or deviations from the applicable laws?</p> <p>c. Are recommendations being addressed adequately?</p> <p>d. Is the scope of the audits sufficient to ensure all financial aspects of the Awards are covered?</p>	<p>X</p> <p>X</p>	<p>X</p> <p>X</p>	<p>a. Yes. A contract was signed (October 2010) with EA (Ernst &amp;Young). However, till this moment, the audited report for 2011 year is expected!</p> <p>b. The draft of audited financial statements for the period from inception till 31-12-2011 was submitted on 6<sup>th</sup> Sep.2012 for PMU. It has been reviewed and discussed between the CFO and EA and returned to EA in order to issue the final financial statement as clarified in the response of PMU to the clarification table on 9-10-2012.</p> <p>c. No reports from the EA to indicate that.</p> <p>d. The scope of the External Auditor is described under Chapter I, (page 7 of the 6th. NFP Report).</p> <ul style="list-style-type: none"> <li>• The scope of work of External Audit should also focus on:</li> <li>• The internal control system development;</li> <li>• A statistical analysis on the clarity and effectiveness of the accounting system is required;</li> <li>• Review of the organization's control structure, including the control environment, accounting systems, and control procedures, in order to assess the control risk for financial statement assertions.</li> <li>• Audit work should include advice to the management of any material weaknesses found during the review.</li> </ul>

**CHAPTER II: GENERAL FINANCIAL MANAGEMENT  
BADIA RESTORATION PROJECT**

<p>E. Special Account and Cash Reporting</p> <p>a. Are the beginning and ending balances reconciled with statements?</p> <p>b. Are all adjusting items sufficiently explained and documented?</p>		<p>X</p> <p>X</p>	<p>a. Interest income is \$9,656,715. However the amount transferred in cash to CBJ is \$9,410,967.</p> <p>b. Cash transferred plus M&amp;A balance US\$ 107,330,847.75 , plus interest transferred US\$9,410,967, minus expenses reported in the cash table page 20 (\$9,024,276 + \$11,357,657) equals US\$ 96,359,597 not US\$93,252,424 as in the cash table. The difference is US\$3,107,172.75, which should be reconciled.</p>
<p>F. Special Issues</p> <p>Any special issues reported?</p> <p>a. If so, are they to be reported to the GC and is adequate detail available to do so?</p>			<p>F. Special Issues</p> <p>a. The channeling of funding to an outsider activity (Jerash Project) occurred for the second time. This irregular expenditure was first brought to the attention of NFP in the IRs 3rd. Report, with no settlement to this issue.</p>

**PROJECT 5000304: RANGELAND RESTORATION COMPONENT**

<b>I. TECHNICAL REVIEW &amp; EVALUATION</b>	<b>Yes</b>	<b>No</b>	<b>Notes/Issues</b>
<p>1. Project Plans</p> <p>a. Is the project plan finalized? If so when was it submitted?</p> <hr/> <p>b. Have there been any changes to the project plan since the last report?</p>	<p>X</p>	<p>X</p>	<p>a. The current 7th. NFP Report included an update to the Project Phasing Plan from June 2012 to April 2019 (pp 48-49) along with the parallel GC Sessions schedule. The Revised CAP document represents the mainstay of the Project at present. The CAP Budget and Financial Administration (PP.133-139 in 7th. NFP report) is shown for the period (2011 to 2019). This plan is under evaluation.</p> <p>b. As stated above, under Key Issues, the CAP document was deemed <u>accepted, in principle</u> (taking into account the IRs relevant comments and suggestions). However, IR /Alhamad believes that the revised CAP needs further revision to improve the efficiency in using fund resources and to come up with proper budget allocation to</p>

**PROJECT 5000304: RANGELAND RESTORATION COMPONENT**

<p>c. Are there environmental indicators/criteria that can be used to track the progress and effectiveness of restoration measures? If so are they appropriate?</p>			<p>achieve the BRP goals in restoring the entire Badia productivity to about 95 KG of forage dry matter per ha. Thus each dollar spending on various CAP activities needs to be weighed against its impacts on restoring Badia productivity.</p> <p>c. none.</p>
<p>2. Phasing Plans</p> <p>a. Has phasing plan been submitted and approved by the Governing Council?</p> <p>b. If so, when?</p> <p>c. Has the Phasing Plan been modified since that time?</p> <p>d. If so, is the revised phasing plan reasonable and appropriate?</p> <p>e. If not, does the phasing plan continue to be reasonable and appropriate?</p>	<p align="center">X</p>	<p align="center">X</p>	<p>a. Not yet.</p>
<p>3. Project Status</p> <p>a. Have the projected activities for the current reporting period been conducted and verified? If not is there an explanation as to why?</p> <p>b. Is the sufficiency of reporting and verification appropriate and reasonable?</p> <p>c. Are the activities consistent with the submitted phasing plan?</p>	<p align="center">X</p>	<p align="center">X</p>	<p>3. Project Status</p> <p>a. Some significant activities were conducted and delivered; in spite of some activities were lower than expected levels. At present, the Project managed to disburse about 29.3 % of its budget and a matching process should be made to gauge the outputs delivered against this budget.</p> <p>b. There is no systematic follow-up procedures for a verification process. However, with the installation of an Accounting System, the Project would be able to have a better internal financial control.</p> <p>c. Yes they are.</p>
<p>4. Environmental Assessments</p> <p>a. Where any significant field demonstrations or assessments undertaken in the reporting period? If not should there have been? If so what was the outcome and ...?</p>		<p align="center">X</p>	<p>4. Environmental</p> <p>a. The only EIA study was envisaged for the Fodder Crop Production, which was postponed and dropped later.</p>

**PROJECT 5000304: RANGELAND RESTORATION COMPONENT**

<b>PROJECT 5000304: RANGELAND RESTORATION COMPONENT</b>			
<p>5. Periodic Technical Evaluation</p> <p>a. Is the project being implemented in a reasonable and appropriate way? Consider:</p> <ul style="list-style-type: none"> <li>▪ Is the plan reasonable and appropriate to achieve the purpose of the award?</li>   <li>▪ Is the approach (procurement procedures and outcomes...) reasonable and appropriate for implementing the project plan? Are timelines appropriate?</li> <li>▪ Has new information come to light that raise questions about the approach etc?</li> <li>▪ Is there adequate progress being made.</li> </ul> <p>b. Are there any proposed changes to the project/phasing plan (e.g. modifications adaptive management)?</p> <p>If so do you support these changes?</p>	<p>X</p> <p>X</p> <p>X</p> <p>X</p>	<p></p> <p></p> <p>X</p>	<p>a. NFP staff (only 2-3 technical officers) are doing their best to follow-up reasonableness of the contracted interventions.</p> <ul style="list-style-type: none"> <li>▪ Some Professional Monitoring and Evaluation is needed to ensure that implemented activities are done in a reasonable and appropriate manner.</li> <li>▪ Approach (procurement..) :Yes</li>   <li>▪ No.</li>   <li>▪ It's variable from one activity to the other.</li>   <li>▪ There would be some in the CAP activities following the Barley Assessment is completed.</li> </ul> <p>b. Based on the results of the Barley Assessment being conducted; the PMU would consider whether a budget revision is necessary. If the budget allocations for Barley are to be reduced or deleted entirely then yes, a revision is needed. . However, IR Alhamad, fully support the continuation of barley incentives for at least 10 years during the CAP period, as alternative feed resources, thereby livestock owners can stop grazing the range land. Grazing cessation and resting of damaged ecosystems will enhance the natural recovery of range vegetation, thus fulfill the overall objective of Badia restoration program. Therefore, on the contrary of the other respectful IRs' opinions; Barley incentives should be the core activity in PRP and resources shall be reallocated from other activities of less-impact activities on the range restoration.</p>

PROJECT 5000304: RANGELAND RESTORATION COMPONENT			
			Generally yes. IR Alhamad, is not supporting these changes and encourages the JNFP to appropriately budgeting the CAP to cover the entire Badia and working on resting the rangeland to enhance the natural recovery of damaged ecosystems.
<p>2. Projected Activities</p> <p>a. Are the projected activities for the next reporting period consistent with the project/phasing plan?</p>	<b>X</b>		<p>2. Project Activities</p> <p>a. As the CAP is the main component of the BRP, therefore the following issues need to be addressed:</p> <ul style="list-style-type: none"> <li>• Cost of rangeland rehabilitation per unit area and NFP gave some figures on that.</li> <li>• Land tenure issue was raised and NFP gave justification for not addressing it, as most of the targeted areas are governmental lands, earmarked as “rangelands”. More emphasis should be given to this issue. IR Alhamad, is not satisfied with the JNFP justifications as target area shall be extended to entire Badia not the 12 sites</li> <li>• Link between the incentives and the restoration project was elaborated on by NFP, with details of Incentives distribution systems, community leaders, establishing range cooperatives and rest grazing, etc. IR Alhamad, is concerned with link between incentives and rangeland resting, as no clear strategy was supplied by the JNFP on this issue. Most of the information listed in the 7th report is about text book information.</li> <li>• The DBIU role in servicing the CAP activities was adequately described, including: using GIS and RS techniques for producing maps, digitizing, developing some environmental indicators for land cover monitoring and restoration status. IR Alhamad, is concern with the real role of DBIU in serving the BRP, no range sites were delineated by the unit nor real monitoring was presented on restoration activities</li> </ul>
<p>b. Are the project activities reasonable and appropriate?</p>			



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			<p>using remote sensing technology</p> <ul style="list-style-type: none"> <li>• Guarantees of the Community commitment towards sustainable management of the restored areas, was raised by IRs. Some detailed description was given on mechanisms to ensure that, involving how to qualify for receiving the incentives and the involvement of governmental Institutions, NGOs and private sector societies.</li> </ul> <p>However, the IRs are concerned about the possibility of adopting of high cost human interventions of micro catchments techniques and fodder shrubs plantations on a large scale. A clear mechanism showing that the incentives will serve the recovery of damaged ecosystems ought to be elaborated. Also, the IR Alhamad is concerned on the lack of adequate budget for the implementing phase including extending the barley incentives into at least 10 years, as well as the total area to be restored at the end of the Project.</p>
<b>II. FINANCIAL REVIEW &amp; EVALUATION</b>	<b>Yes</b>	<b>No</b>	
<p>1. Periodic and Total Expenditure</p> <p>a. What were the total expenditures for this project?</p> <p>b. Is the actual expenditure consistent with the planned expenditure?</p>	X		<p>1. Periodic , Total Expenditures</p> <p>a. BR #7 reported the total expenditures US\$ 48,401,758 (%29.3) net of administration expenses, which consist of outstanding obligations of US\$ 27,511,937 and actual amounts paid for US\$ 11,011,329 in current period and US\$ 9,878,492 paid in the periods before.</p> <p>The administration expenses US\$ 3,006,061 (%62.4) out from US\$ 4,817,462.</p> <p>B This require further clarification, since the total expenditures up to 30-6-2012 amounted to US\$20,889,821 and the outstanding liabilities US\$ 27,511,937 while in the CAP, budgeted expenditures is US\$23,067,250 the difference should be in the obligation, if so, then it should be illustrated.</p>

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<p>2. Periodic Financial Review</p> <p>a. Are project expenditures appropriate in the context of the project as a whole?</p> <p>b. Are expenditures reasonable based on the progress achieved in the reporting period?</p> <p>c. Are expenditures and obligations transparent and based on established policy as reported by the NFP?</p> <p>d. Are any deviations reported from established policies and if so, are they justified?</p> <p>e. Is there a request for release of funds? Is the request appropriate and reasonable?</p>	<p>X</p> <p>X</p> <p>X</p>	<p>X</p> <p>X</p> <p>X</p>	<p>2. Periodic Review</p> <p>a. More details that would allow to judge should include :</p> <ul style="list-style-type: none"> <li>• Information about stakeholders obligations;</li> <li>• Accomplished work vs. planned;</li> <li>• Percentage of delivery vs. funds disbursed;</li> <li>• Subcontractors information, etc.</li> </ul> <p>b. Additional evaluation reports (usually done by back-stopping officers) are required for properly evaluating the reasonableness of the expenditures.</p> <p>c. This question can only be answered by the Audit Bureau and the External Auditor.</p> <p>e. Expenses, the cash special account has to show the administration funds and project funds in two separate categories.</p>
III. SUMMARY OF RECOMMENDATIONS	Yes	No	Notes/Issues
<p>1. Are there any significant issues/problems that you would like to bring to the attention of the Governing Council.</p> <p>2. Does the Council need to authorize the release of funds?</p>	<p>X</p> <p>X</p> <p>X</p>		<p>These are under Key Issues and Recommendations.</p> <p>IR Alhamad is concern about the inappropriate budgeting in the revised CAP and the restriction of CAP coverage to small percentage of the Jordan Badia instead of entire Badia as recommended by the F4 panel. Also, <u>bending issues on baseline studies were not resolved yet.</u> Alhamad noticed an unjustified delay in E&amp;Y audit report which last</p>

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about 9 months.

**PROJECT 5000304: SHAUMARI COMPONENT**

<b>I. TECHNICAL REVIEW &amp; EVALUATION</b>	<b>Yes</b>	<b>No</b>	<b>Notes/Issues</b>
<p>1. Project Plans</p> <p>a. Is the project plan finalized? If so when was it submitted?</p> <p>b. Have there been any changes to the project plan since the last report?</p> <p>c. Are there environmental indicators/criteria that can be used to track the progress and effectiveness of restoration measures? If so are they appropriate?</p>	<p>X</p> <p>X</p>		<p>a. This Shaumari Project was declared 100 % completed. Our concern at present should be preparing a financial statement on this Project.</p> <p>b. IR Alhamad still concerned with overall transparence of Shaumari project and the appropriate use of fund. IR Alhamad, noticed that pending issues on fence repairing cost, inadequate work on reserve carrying capacity and finding out minimum viable population of Oryx, were not solved yet. Thereby he encourages the PMU to conduct proper audit to clarify the status of Shaumari project from technical and financial aspects.</p> <p>c. None.</p>
<p>2. Phasing Plans</p> <p>a. Has phasing plan been submitted and approved by the Governing Council?</p> <p>b. If so, when?</p> <p>c. Has the Phasing Plan been modified since that time?</p> <p>d. If so, is the revised phasing plan reasonable and appropriate?</p> <p>e. If not, does the phasing plan continue to be reasonable and appropriate?</p>			<p>2. Phasing Plans</p> <p>No info on that.</p>
<p>3. Project Status</p> <p>a. Have the projected activities for the current reporting period been conducted and verified? If not is there an explanation as to why?</p> <p>b. Is the sufficiency of reporting and verification appropriate and reasonable?</p> <p>c. Are the activities consistent with the submitted phasing plan?</p>		<p>X</p> <p>X</p>	<p>a. Project completed. IR Alhamad, recommend the JNFP to conduct proper finical and technical audit report to clarify the bending issues, before the project is declared completed</p> <p>b. No, see above comments</p> <p>c. No, see above comments</p>
<p>4. Environmental Assessments</p>			<p>Nothing in the Report on this.</p>

PROJECT 5000304: SHAUMARI COMPONENT			
<p>a. Where any significant field demonstrations or assessments undertaken in the reporting period?</p> <p>b. If not should there have been?</p> <p>c. If so what was the outcome and ...?</p>			
<p>5. Periodic Technical Evaluation</p> <p>a. Is the project being implemented in a reasonable and appropriate way?</p> <p>Consider:</p> <ul style="list-style-type: none"> <li>▪ Is the plan reasonable and appropriate to achieve the purpose of the award?</li> <li>▪ Is the approach (procurement procedures and outcomes...) reasonable and appropriate for implementing the project plan? Are timelines appropriate?</li> <li>▪ Has new information come to light that raise questions about the approach etc?</li> <li>▪ Is there adequate progress being made.</li> </ul> <p>d. Are there any proposed changes to the project/phasing plan (e.g. modifications, adaptive management)? If so do you support these changes?</p>		X	<p>5. Periodic Technical Evaluation</p> <p>a. Is the a, project being implemented in a reasonable and appropriate way?</p> <p>Project completed, IR Alhamad, is concern with bending issues that need to be solved and verified before the project can be declared completed.</p>
<p>6. Projected Activities</p> <p>a. Are the projected activities for the next reporting period consistent with the project/phasing plan?</p> <p>b. Are the projected activities reasonable and appropriate?</p>			Activities completed.
II. FINANCIAL REVIEW & EVALUATION	Yes	No	Notes/Issues
<p>Periodic and Total Expenditure</p> <p>a. What were the total expenditures for this project?</p> <p>b. Is the actual expenditure consistent with the planned expenditure?</p>		X	<p>A Financial Statement on the Shaumari project ought to be prepared and reviewed by the External Auditor.</p> <p>a) Total expenditure US\$ 326,873 and the POC is 100% for phase 1 and phase</p> <p>b) The financial statement is required and to be attested by EA that the project has been completed and should be closed.</p>
III. SUMMARY OF RECOMMENDATIONS	Yes	No	Notes/Issues
<p>1. Are there any significant issues/problems that you would like to bring to the attention of the Governing Council.</p>			<p>Project completed.</p> <p>Pending issues on core project activities (fence length and cost,</p>

**PROJECT 5000304: SHAUMARI COMPONENT**

2. Does the Council need to authorize the release of funds?			reserve carrying capacity and min. viable population) were not resolved yet
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