

## Front Page of the 8<sup>th</sup>. IRs Report

(27 March 2013)

### **INDEPENDENT REVIEWERS OF THE COMBINED BIENNIAL REPORT OF THE JORDAN UNDER DECISIONS 258 & 269 March 2013**

#### **OVERALL ASSESSMENT OF JORDAN'S STATUS UNDER DECISION 269**

*The Jordan Government has accomplished some substantial steps towards fulfilling the GC 258 achievements in this regard included: (a) establishment of the ALPHA Accounting Control system, with Officer on board; (b) this system enabled the Management to extract individual project transactions reports having better control on transfer of funds; as well as designing a new chart of accounts which should cover all projects and their cost centers, effective January 2013 onwards; (c) prepared the "Stakeholders' Report" governmental rules and regulations in tendering, procurement and the implementing institutions' reports; (d) developed a programme that provides reports on (project progress, stakeholders expenditures and subsidies); (e) approved appropriate Project Plans for the 13- CAP Projects, with recognizing Monitoring and Evaluation as a priority should allow field work to move on full speed with no further delays; (f) finalized the Sustainable Fodder Production document, after been thoroughly reviewed and amended to reflect the project importance in providing a feed source; (g) proposed a more equitable and fair scheme for Barley Distribution providing barley- on a per capita basis mainly small herders in the whole Badia; (h) directed *more focus* on establishing the Rangeland Cooperatives for the future management of the restored range areas in the Badia.*

#### **ITEMS AFFECTING JORDAN'S FULFILLMENT OF DECISION 269 REQUIREMENTS**

Below are steps required for furthering the Government fulfillment of GC 269:

1. The Government is urged to expedite, with no delay, designating the BRP Advisory Panel in order to carry out management and oversight duties related to CAP projects' budget and the overall governance of the Award.
2. A significant step towards implementing the political assurances of the Government is to re-allocate Award funds, exclusively, for BRP activities that were stipulated in the CAP Project documents (with their respective budgets).
3. Start the process of contracting an "independent professional party" for Monitoring and Evaluation (to assess financial performance) of the 13-CAP Projects from the Project's commencement day.
4. Initiate attracting proposals for providing External Auditor services to the 13 CAP Project operations.
5. Utilize the Stakeholders Protocol that PMU prepared as a "guide" for Stakeholders and BRP Monitoring and Evaluation parties.

#### **Other Programme matters related to GC 258:**

1. Immediate appointment of the PMU Director.
2. Recruiting qualified Coordinators for the 13 CAP projects.
3. Establishing adequate number of Rangeland Cooperatives in the 12 selected watersheds in order to manage the restored range areas in the Badia.

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management of the restored areas, due to their pivotal role in executing BR Projects activities.

4. Forming a viable *Cooperative* to lead the “*Sustainable Fodder Production Crop Project*”, in view of providing a sustainable source of Barley for the Badia herders.

**CRITICAL ISSUES IN PROJECT IMPLEMENTATION UNDER DECISION 258**

With the last intensive revision that the 13 CAP project documents received; the scope of activities we compatibility with the GC 258. BR Project work plans are quite transparent but perhaps *not adequately publicized*. The launching of the planned field work is quite significant and touching all ecological and communities in the Badia. Therefore, implementation of the BR Project activities and their impact ought with a *good Media Coverage* so the public will be enlighten and supportive of the BR projects.

**REQUESTED FUNDING RELEASE**

The NFP has requested the following funding releases for the programme and the release of the funds stipulated below.

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<b>Budget Item</b>	<b>\$ US Dollars</b>
<b>I. CAP components during the period from July, 2013 to June, 2014 (US\$ 22,091,663)</b>	<b>\$ 22,091,663</b>
Development of <i>Macro-catchment Structures</i> project	4,009,900
Development of <i>Micro-catchment Structures</i> project	346,200
Development of <i>Water Spreading and Soil Conservation</i> structures project	43,000
Planting <i>Native Fodder Shrubs</i> project	1,040,125
<i>Protection and Managed Grazing</i> project	208,700
Improving Water quality for Livestock Watering project	792,000
Facilitating the Access to Watersheds project	1,912,800
Providing Livestock with Feed Incentives project	8,376,743
Improving Livestock Productivity project	1,545,125
Public Awareness and Capacity Enhancement project	311,200
Smart Informal Environmental Education project	840,000
Land Use Review project	65,000
Sustainable Fodder Crop Production Project	411,670
Monitoring and Evaluation Component	192,000
CAP Management Unit	1,385,000
<b>II. Activities from July 2013 to December 2013</b>	<b>\$ 324,600</b>
Database and Information Unit	23,100
BRP-PMU administration, external auditor and Advisory Panel contracts	301,500
<b>III. Outstanding Obligations from Previous Two Years (\$ 3,638,525)</b>	<b>\$ 3,638,525</b>
For providing livestock with feed incentives in the 1 <sup>st</sup> year CAP	1,552,226

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For providing livestock with feed incentives in the 2 <sup>nd</sup> year of CAP	2,086,299
<b>Grand Total</b>	<b>\$ 26,054,788</b>

**The IRs evaluation of the Fund Release Request**

After thorough review of the above NFP Request and matching it with the 1<sup>st</sup> year budget allocations for the 13 CAP Project; the IRs found the above funds requested for release are justified. These funds should make possible the commencement of the CAP Projects activities as scheduled.

**The IRs decision is Approval of releasing the above-requested funds.**

**IR REVIEW STATEMENT**

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

Dr. Mahmud Ayed Duwayri

Dr. Walid Abed-Rabboh

Dr. Ghassan M. Hamdallah

Mr. Mustafa Abu Arja

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**REVIEW OF KEY ISSUES FROM PREVIOUS IR 258 REPORT**

**SUMMARY KEY ISSUES**

**COMMENT ON NFP ACTIONS TO ADDRESS KEY ISSUES**

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1. Technical and managerial capacity of the NFP Project Management Unit (PMU)
2. Revision of the CAP projects to ensure their compliance with F4 Panel
3. Government plans/actions for coping with the UNCC phasing-out period
4. Considering contracting Stakeholders outside the Government sector.
5. Efficiency and assessment of the impact of barley distribution on the Badia restoration.

1. Recruiting a qualified *Chief Finance officer* has been the major Specialist who will manage the Data Base Info Unit which is now located in Amman.
2. This issue perhaps has received the main attention. In collaboration with the UNCC Secretariat and the IRs Team; PMU has completed a major revision of the Project documents. These documents now are satisfactorily depicting the *Objectives; Outputs and Activities*, and deemed in line with the F4 Panel requirements.
3. The “Government plan” is to :
  - designate an *Advisory Panel for the BRP* along with the existing one;
  - *beef-up the PMU staff* with more professionals to help shoulder the oversight duties, that the UNCC Secretariat and the IRs Team are already performing at present;
  - recruiting a qualified Chief Finance Officer (effected January 2013);
  - purchased an *Accounting Control software /ALPHA* which became operational in January 2013).
4. Present attitude is to continue targeting Governmental institutions for projects activities. The justification for this stand is related to two factors: (a) these particular ministries’ services are definitely needed for *maintenance* and up-keep of the accomplished activities (by virtue of their long standing presence); and (b) these particular ministries’ services are definitely needed for *maintenance* and up-keep of the accomplished activities (by virtue of their long standing presence).
5. The assessment process for the barley distribution scheme was conducted by the Secretariat and PMU staff had several sessions and deliberations which were titled “*scheme of barley distribution*”. Both the number of beneficiaries and their sizes were all considered. The proposed scheme for providing barley was in a *“fair manner”* to make the scheme as fair as possible, reaching-out for all Badia, in particular.



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a. Any special issues reported? b. If so, are they to be reported to the GC and is adequate detail available to do so?	X		Refer to the section on “Key Issues”.
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**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> <p>c. If so, what?</p>	<p align="center">X</p> <p align="center">X</p>		<p>a. In the 7<sup>th</sup>. NFP Biannual Report there was some expenditures ending on 30-06-2012 and those expenditures ending on 31-12-2012. However, this matter was explained in the 7<sup>th</sup>. Report. The present 8<sup>th</sup>. Report represents the accounts amounted to <b><u>\$U S42,654,885</u></b> at the end of 2012.</p> <p>b. Hopefully with the new Accounting System, the reconciliation of all accounts should be possible.</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 align="center">X</p> <p align="center">X</p>	<p align="center">X</p>	<p>a. The Accounting System (ALPHA) is operational with the technical support of the System provider, the CFO has reviewed the "outputs" and the software amendments were made. This has been reviewed by UNCC Programme Finance Officer and the IR. A major advantage was also the ability to produce "reports wise or activity wise" on periodic basis. This will facilitate analyzing the projects status in a timely manner.</p> <p>B. Yes the new functions and facilities of ALPHA were explained to the IRs and the IR/ Finance was briefed.</p>



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

available to do so?			
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**PROJECT 5000304: CAP**

<b>I. TECHNICAL REVIEW &amp; EVALUATION</b>	<b>Yes</b>	<b>No</b>	<b>Notes/Issues</b>
1. Project Plan (which includes all elements) <ul style="list-style-type: none"> <li>a. Is the project plan finalized?</li> <li>b. Is the project plan reasonable and appropriate?</li> <li>c. Have there been any changes to the project plan since the last report?</li> <li>d. Are there environmental indicators/criteria that can be used to track the progress and effectiveness of restoration measures? If so are they appropriate?</li> </ul>			<ul style="list-style-type: none"> <li>a. Yes after all 13 CAP Project documents w</li> <li>b. Yes it's appropriate.</li> <li>c. Yes, a new Barley <i>distribution scheme of</i></li> <li>target more the small herders.</li> <li>d. The most appropriate indicators for environ</li> <li>the extent of areas been treated for soil, water</li> <li>re-vegetation practices.</li> </ul>
2. Phasing Plans <ul style="list-style-type: none"> <li>a. Is the submitted phasing plan reasonable and appropriate?</li> </ul>			<ul style="list-style-type: none"> <li>a. Yes, as it matches also the original Phasing</li> <li>Map study and commensurate the GC session</li> </ul>
3. Project Status <ul style="list-style-type: none"> <li>a. Have the projected activities for the current reporting period been conducted and verified? If not is there an explanation as to why?</li> <li>b. Is the sufficiency of reporting and verification appropriate and reasonable?</li> <li>c. Are the activities consistent with the submitted phasing plan?</li> </ul>	<ul style="list-style-type: none"> <li>X</li> <li>X</li> <li>X</li> </ul>		<ul style="list-style-type: none"> <li>a. Yes they were conducted as planned.</li> <li>b. Yes both appropriate and reasonable.</li> <li>C. Yes they are.</li> </ul>
4. Environmental Assessments <ul style="list-style-type: none"> <li>a. Were any significant field demonstrations or assessments undertaken in the reporting period? If not should there have been? If so what was the outcome?</li> </ul>		<ul style="list-style-type: none"> <li>X</li> </ul>	<ul style="list-style-type: none"> <li>An Environmental Impact Assessment (EIA)</li> <li>Sustainable Fodder Crop Production Project</li> <li>involves "raising the Dam height by 15 mete</li> </ul>
5. Periodic Technical Evaluation <ul style="list-style-type: none"> <li>a. Is the project being implemented in a reasonable and appropriate way? Consider:               <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> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>X</li> <li>X</li> <li>X</li> </ul>		<ul style="list-style-type: none"> <li>a. Yes it is.</li> </ul>



**PROJECT 5000304: CAP**

<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 align="center">X</p> <p align="center">X</p> <p align="center">X</p> <p align="center">X</p> <p align="center">X</p>	<p align="center">X</p>	<p>a. Yes according the planned activities in the</p> <p>b. Yes as scheduled.</p> <p>c. Yes they are transparent as per the Governm</p> <p>d. A variance report between planned expe be in place to enable management r rev corrective action if any.</p> <p>e. The IRs opinion is given above on the Fun The total requested fund is <b><u>US\$26,054,78</u></b></p>
<p><b>III. SUMMARY OF RECOMMENDATIONS</b></p>	<p align="center"><b>Yes</b></p>	<p align="center"><b>No</b></p>	<p align="center"><b>Notes/Issues</b></p>
<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 align="center">X</p> <p align="center">X</p>		<p>1. Pls refer to the Key Issues above.</p> <p>2. With the thorough revision that the received from UNCC, IRs and PMU; field speed. Such a situation warrants release of t Budget phasing and allocation per year of the</p>

**PROJECT 5000304: SHAUMARI COMPONENT**

<p><b>I. FINANCIAL REVIEW &amp; EVALUATION</b></p>	<p align="center"><b>Yes</b></p>	<p align="center"><b>No</b></p>	<p align="center"><b>Notes/Issues</b></p>
<p>1. Periodic and Total Expenditure</p> <p>a. What were the total expenditures for this project?</p> <p>b. Were they consistent with the planned expenditures?</p>			<p>a. This project was concluded in November 2 Conservation of Nature / RSCN (Implementin their Final Terminal Report in January 201 expenditures:</p> <ul style="list-style-type: none"> <li>• Total expenditures : <b><u>\$US 375,039</u></b></li> <li>• Total Award fund: <b><u>\$US 326,873</u></b></li> <li>• The above difference (<b><u>\$US 48,166</u></b>) was</li> <li>• The original award fund ear-marked Reserve was: <b><u>US\$ 246,873</u></b></li> <li>• <b><u>an additional \$80,000</u></b> was allocated fencing of the Reserve.</li> </ul>

**PROJECT 5000304: SHAUMARI COMPONENT**

<p>2. Periodic Financial Review</p> <ul style="list-style-type: none"> <li>a. Are project expenditures appropriate in the context of the project as a whole?</li> <li>b. Are expenditures reasonable based on the progress achieved?</li> <li>c. Are expenditures and obligations transparent and based on established policy as reported by the NFP?</li> <li>d. Are any deviations reported from established policies and if so, are they justified?</li> </ul>			<p>Upon completion of the project, the RSCN financial Ad-Hoc Committee formed by the Minister of Finance Team made a visit to the Project on 16 February 2011. The report that was deemed satisfactory, based on the findings of the</p>
<p><b>II. SUMMARY OF RECOMMENDATIONS</b></p>	<p><b>Yes</b></p>	<p><b>No</b></p>	<p><b>Notes/Issues</b></p>
<p>1. Are there any significant issues/problems that you would like to bring to the attention of the Governing Council?</p>			<p>See above under Key Issues.</p>