Front Page of the 8th. IRs Report

(27 March 2013)

INDEPENDENT REVIEWERS OF THE COMBINED BIANNUAL 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 rephaving better control on transfer of funds; as well as designing a new chart of accounts which should projects and their cost centers, effective January 2013 onwards; (c) prepared the "Stakeholder governmental rules and regulations in tendering, procurement and the implementing institutions' representations are project Plans for the 13- CAP Projects, with recognizing Monitoring and Evaluation as should allow field work to move on full speed with no further delays; (f) finalized the Sustainable Fodd 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 mainly small herders in the whole Badia; (h) directed more focus on establishing the Rangeland Coope 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, <u>designating the *BRP Advisory Panel*</u> in ord management and oversight duties related to CAP projects' budget and the overall governance of the Awar
- 2. A significant step towards implementing the political assurances of the Government is to re-ite Award funds, <u>exclusively</u>, for BRP activities that were stipulated in the CAP Project documents (with the budgets).
- 3. Start the process of contracting an "independent professional party" for <u>Monitoring and Ever</u> 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 operation
- 5. Utilize the <u>Stakeholders Protocol</u> that PMU prepared as a "guide" for Stakeholders and BR *Monitor*ing 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 or

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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 t 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 <u>not aderpublicized</u>. 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 <u>good Media Coverage</u> 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.

The NFP has requested the following funding releases for the programme and the release of the funds stipulated below. **Budget Item \$ US Dollars** I. CAP components during the period from July, 2013 to \$ 22,091,663 June, 2014 (US\$ 22,091,663) Development of Macro-catchment Structures project 4,009,900 Development of Micro-catchment Structures project 346,200 Development of Water Spreading and Soil Conservation 43,000 structures project Planting Native Fodder Shrubs project 1,040,125 Protection and Managed Grazing 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 1,385,000 **CAP Management Unit** II. Activities from July 2013 to December 2013 \$ 324,600 Database and Information Unit 23,100 BRP-PMU administration, external auditor and Advisory Panel 301,500 contracts III. Outstanding Obligations from Previous Two Years \$ 3,638,525 (\$ 3,638,525) For providing livestock with feed incentives in the 1st year CAP 1,552,226

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

The IRs evaluation of the Fund Release Request

After thorough review of the above NFP Request and matching it with the 1st 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

INDEPENDENT REVIEWERS OF THE COMBINED BIANNUAL REPORT OF THE JORI UNDER DECISIONS 258 & 269 March 2013							
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)
- 1. Recruiting a qualified *Chief Finance officer* has been the majo Specialist who will manage the Data Base Info Unit which is now located the property of th
- 2. Revision of the CAP projects to ensure their compliance with F4 Panel
- 2. This issue perhaps has received the main attention. In collaborathe UNCC Secretariat and the IRs Team; PMU has completed a may Project documents. These documents now are satisfactorily depresentations; Outputs and Activities, and deemed in line with the F4 Pan
- 3. Government plans/actions for coping with the UNCC phasing-out period
- 3. The "Government plan" is to:
- designate an Advisory Panel for the BRP along with the existing
- beef-up the PMU staff with more professionals to help shoulded oversight duties, that the UNCC Secretariat and the IRs Team are assures present;
- recruiting a qualified Chief Finance Officer (effected January 20
- purchased an *Accounting Control software* /ALPHA which be January 2013).
- 4. Present attitude is to continue targeting Governmental insprojects activities. The justification for this stand is related to two faconducted on *governmental lands* whose jurisdiction belongs to certain etc); and (b) these particular ministries' services are definitely needed for *maintenance* and up-keep of the accomplished activities (by virtue)
- 5. The assessment process for the barley distribution scheme significance of this budget component both in terms of costs and Secretariat and PMU staff had several sessions and deliberations which scheme of barley distribution". Both the number of beneficiaries and r sizes were all considered. The proposed scheme for providing barle manner" to make the scheme as fair as possible, reaching-out for s Badia, in particular.
- 4. Considering contracting Stakeholders outside the Government sector.
- 5. Efficiency and assessment of the impact of barley distribution on the Badia restoration.

CHAPTER I: MANAGEMENT AND ADMINISTRATION BADIA RESTORATION PROJECT						
REVIEW & EVALUATION	Yes	No	Notes/Issues			
A. General Management a. Are the management and administration structures, roles and responsibilities clearly explained for the programme?		X	a. No relevant changes took place.			
for the programme? b. Have there been any changes or updates to the programme management cycle in the last reporting period? If so are they reasonable? If not should there have been changes?	X	Λ	b. No change.			
c. Have management and administrative activities since the last reporting period been adequately explained and are reasonable and appropriate?	X X		c. Adequately explained.			
B. Procurement/Contractsa. Have the applicable Government procurement laws and regulations been provided?			a. These laws and regulations are followed as follow in BRP procurement.			
b. Are the procurement processes conducted according to the applicable laws and regulations of the Government?	X		b. All Governmental projects have to follow procurement to the applicable laws and regula the guidelines of procurement and also to documentation required of every process.			
c. Is there a system for tracking of contracts, monitoring adherence to the conditions of the contract.		X	c. At several levels: PMU Finance Co Environment/ Internal Finance Control; the and the Special Tendering Committee for the I			
d. Is there independent verification of field work conducted in accordance with contractual obligations? to ensure transparency?			d. Not yet. This should be done through the for each project and the whole M&E contract to			
C. Database & Information Unit a. Is the DBIU well established to respond to the need of the project?			C. PMU reported that the Data Base Unit hat original location at the Hashemite Fund to specialist on board at PMU will be in charge description will be drafted for the Unit in order activities and in conducting Monitoring and Expression of the Unit in Section 1985.			
D. Special Issues						

INDEPENDENT REVIEWERS OF THI		MBINED BIANNUAL REPORT OF THE JORDAN UNDER DECISIONS 258 & 269 March 2013
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".

CHAPTER II: GENERAL FINANCIAL MANAGEMENT BADIA RESTORATION PROJECT							
I. REVIEW & EVALUATION	Yes	No	Notes/Issues				
A. Introduction (General Financial							
Management)							
a. Are the overall figures	X		a. In the 7 th . NFP Biannual Report there was som				
reasonable for the reporting			expenditures ending on 30-06-2012 and those exp				
period and activities planned?			ending on 31-12-2012. However, this matter was exp				
	X		7 th . Report. The present 8 th . Report represents the acci				
			amounted to <u>\$U \$42,654,885</u> at the end of 2012.				
b. Are there any items to be			b. Hopefully with the new Accounting System, the 1				
addressed in general?			all accounts should be possible.				
c. If so, what?							
B. Accounting Systems and Procedures a. Are there any changes or		X	a. The Accounting System (ALPHA is operational				
deviations reported?		Λ	technical support of the System provider, the CFC outputs" and the software amendments were made. I been reviewed by UNCC Programme Finance Offic				
			IR. A major advantage was also the ability to produce wise or activity wise" on periodic basis. This was analyzing the projects status in a timely manner.				
b. If so, are they adequately							
explained?			B.Yes the new functions and facilitates of ALP. explained to the IRs and the IR/ Finance was briefed				
c. Is the statement of compliance included?	X						

СНА			ENERAL FINANCIAL MANAGEMENT
C. Procurement		BADI	A RESTORATION PROJECT
a. Is the statement of application of regulations and policies included?	X		a. All the Project procurement must follow Gove procurements must be <u>exclusively done through the Sand the Audit Bureau is always there</u> as it shoul guidelines of BRP procurement policy.
b. Are there any reported changes or deviations from the applicable laws?		X	
If so, are they adequately explained?			
o Are they reasonable?	1		!
c. Has appropriate information been provided in regards contract tendering processes and numbers of signed contracts, etc.	X		c.Yes as the process is done through the Government Committee, with its established procedures related to tenders, tender penning, awarding procedures, etc.
d. Are the overall numbers related to procurement reasonable for the implementation in progress?	X		d. The Government Audit Bureau is always a member processes.
e. Overall, are there sufficient controls in place to ensure transparency?	X		e. Very much so and one example that <i>Tender Openia</i> and accessible through the Internet.
 D. Audit Systems and Procedures a. Are external auditors in place? b. Are there any reported changes or deviations from the applicable laws? c. Are recommendations being addressed adequately? d. Is the scope of the audits sufficient to ensure all financial aspects of the Awards are covered, 			a. Ernst & Young is the External Auditor. b. The audited financial statements were issued by E& urgently required to provide the audited financial state should be before the end of April 2013. According to PMU, the External Auditor report mattheir contract.
 E. Special Account and Cash Reporting a. Are the beginning and ending balances reconciled with statements? b. Are all adjusting items sufficiently explained and documented? 			 a. There were some discrepancies in reporting the month period (Jan to Jun and July to Dec of 2012) as in the 7th. NFP report. b. The above expenditures were reconciled and to 8th.nFP are sufficiently explained.
F. Special Issuesa. Any special issues reported?b. If so, are they to be reported to the GC and is adequate detail			The CAP budget allocated expenditures is estimated figure should be a Starting Reference figure for future revisions.

СН	APTER II: GENERAL FINANCIAL MANAGEMENT BADIA RESTORATION PROJECT	
available to do so?		

	P	ROJEC	T 5000304: CAP
I. TECHNICAL REVIEW & EVALUATION	Yes	No	Notes/Issues
 Project Plan (which includes all elements) a. Is the project plan finalized? b. Is the project plan reasonable and appropriate? c. Have there been any changes to the project plan since the last report? d. Are there environmental indicators/criteria that can be used to track the progress and effectiveness of restoration measures? If so are they appropriate? 			a. Yes after all 13 CAP Project documents wb. Yes it's appropriate. c. Yes, a new Barley distribution scheme of particular target more the small herders. d. The most appropriate indicators for environmental the extent of areas been treated for soil, water re-vegetation practices.
Phasing Plans a. Is the submitted phasing plan reasonable and appropriate?			a.Yes, as it matches also the original Phasing Map study and commensurate the GC sessio
3. Project Status a. Have the projected activities for the current reporting period been conducted and verified? If not is	X		a. Yes they were conducted as planned.
there an explanation as to why? b. Is the sufficiency of reporting and verification appropriate and reasonable?	X		b. Yes both appropriate and reasonable.
c. Are the activities consistent with the submitted phasing plan?	X		C.Yes they are.
4. Environmental Assessments 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?		X	An Environmental Impact Assessment (EIA) Sustainable Fodder Crop Production Project involves "raising the Dam height by 15 mete
 5. Periodic Technical Evaluation a. Is the project being implemented in a reasonable and appropriate way? Consider: Is the plan reasonable and 	X		a. Yes it is.
 appropriate to achieve the purpose of the award? Is the approach (procurement procedures and outcomes) reasonable and appropriate for 	X		
implementing the project plan? Are timelines appropriate? Has new information come to light that raise questions about the approach etc?	X		

	P	ROJEC	T 5000304: CAP
 Is there adequate progress being made. b. Are there any proposed changes to the project/phasing plan (e.g. modifications, adaptive management)? If so do you support these changes? 		X	b. The NFP 8 th . Biannual Report has the det various CAP projects.
 6. Projected Activities a. Are the projected activities for the next reporting period consistent with the project/phasing plan? b. Are the project activities reasonable and appropriate? 	X		a.Yes they are consistent. b.Yes they are.
 7. Coordination Structure a. Is the strategy for future coordination of the CAP projects reasonable and appropriate? b. Is the stakeholder protocol reasonable and appropriate? 	X		 a. The new revised 13- CAP Project Doct Coordinator for each Project to act as the activities (including liaison with stakehoversight). b. PMU has compiled a "Stakeholders Protthe implementation of Projects activities." adequate finance and administrative informatives and regulations. The Protocol would working conditions for stakeholders, as well the BR Project management on the jobs implementation.
8. Monitoring and Evaluation (M&E)a. Is the submitted plan reasonable and appropriate?b. Do the suggested indicators clearly track the progress being made?	X X		 a. The M&E work has been given a separate with specific budget and terms of reference who is envisaged to undertake this task. b. There is a List of Parameters (indicators) to the General List of Indicators for the M&I whole.
II. FINANCIAL REVIEW & EVALUATION	Yes	No	Notes/Issues
1. Periodic and Total Expenditure a. What were the total expenditures for this project?b. Is the actual expenditure consistent with the planned expenditures?			a. Total expenditures are \$\frac{\\$U \\$42,654,885}{\}\$ as Adding the Admin expenditures of 3% (3,53) Expenditures become \$\frac{\\$US \\$46,190,218}{\}\$ for the b. Yes they are.

		PI	ROJEC'	T 5000304: CAP
2.	Periodic Financial Review a. Are project expenditures appropriate in the context of the project as a whole?	X		a. Yes according the planned activities in the
	b. Are expenditures reasonable based on the progress achieved in the reporting period?	X		b.Yes as scheduled.
	c. Are expenditures and obligations transparent and based on established policy as reported by the NFP?	X		c.Yes they are transparent as per the Governd. A variance report between planned expe
	d. Are any deviations reported from established policies and if so, are they justified?		X	be in place to enable management r rev corrective action if any.
	e. Is there a request for release of funds? Is the request appropriate and reasonable?	X		e. The IRs opinion is given above on the Fur The total requested fund is US\$26,054,78
	III. SUMMARY OF RECOMMENDATIONS	Yes	No	Notes/Issues
1.	Are there any significant issues/problems that you would like to bring to the attention of the Governing Council?	X		1. Pls refer to the Key Issues above.
2.	Does the Council need to authorize the release of funds?	X		2. With the thorough revision that the received from UNCC, IRs and PMU; field speed. Such a situation warrants release of the Budget phasing and allocation per year of the

PRO	JECT :	5000304	4: SHAUMARI COMPONENT
I. FINANCIAL REVIEW & EVALUATION	Yes	No	Notes/Issues
 1. Periodic and Total Expenditure a. What were the total expenditures for this project? b. Were they consistent with the planned expenditures? 			 a. This project was concluded in November 2 Conservation of Nature / RSCN (Implementitheir Final Terminal Report in January 202 expenditures: Total expenditures: \$US 375,039 Total Award fund: \$US 326,873 The above difference (\$US 48,166) was reserve was: US\$ 246,873 an additional \$80,000 was allocated fencing of the Reserve.

PRO	PROJECT 5000304: SHAUMARI COMPONENT					
 2. Periodic Financial Review a. Are project expenditures appropriate in the context of the project as a whole? b. Are expenditures reasonable based on the progress achieved? c. Are expenditures and obligations transparent and based on established policy as reported by the NFP? d. Are any deviations reported from established policies and if so, are they justified? 			Upon completion of the project, the RSCN fin Ad-Hoc Committee formed by the Minister o Team made a visit to the Project on 16 Feb report that was deemed satisfactory, based on the project of the project, the RSCN fin Ad-Hoc Committee formed by the Minister of Team made a visit to the Project on 16 Feb report that was deemed satisfactory, based on the project of th			
II. SUMMARY OF RECOMMENDATIONS	Yes	No	Notes/Issues			
1. Are there any significant issues/problems that you would like to bring to the attention of the Governing Council?			See above under Key Issues.			