

REGIONAL INITIATIVE FOR PROMOTING SMALL-SCALE RENEWABLE ENERGY APPLICATIONS IN RURAL AREAS OF THE ARAB REGION (REGEND)

Focus Group
Amman – 5 March 2019

Economic and Social Commission for Western Asia



UNITED NATIONS

الاستسقا
ESCWA

Rural Development in Jordan

Bashar Zeitoun, consultant ESCWA

Assessment Study

LITERATURE REVIEW OF:

- **Socio-economic, political, and environmental drivers**
- **Current and potential productive activities in rural areas**
- **Energy and rural development needs**
- **Business models currently utilized**

Socio-economic Drivers

- **Demographic dynamics**
- **Persistent unemployment of 18.3% (2017)**
- **Stubborn poverty rates of 14.4% (2010)**
- **Refugees add pressure on infrastructure**
- **High living expenses**
- **Dependence on foreign aid and grants**

Policy/Political Drivers

- **Decentralization – municipality-level development units**
- **National Energy Strategy**
- **Small and medium enterprises seen critical**

Environmental Drivers

- **Climate change – less water availability**
- **Land degradation**
- **Addressing environmental problems to drive development and livelihood security**

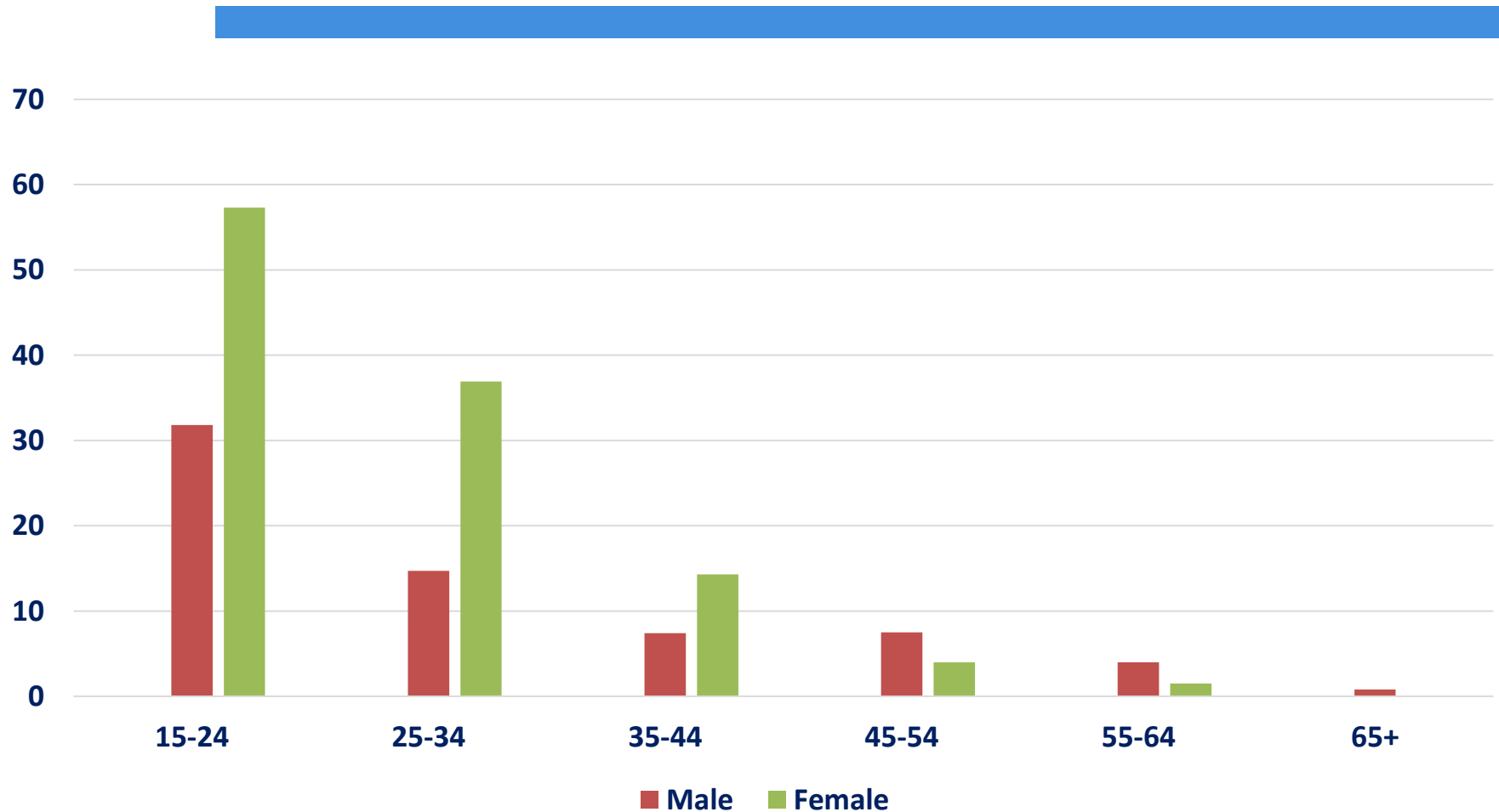
Indicators (2017)

- **Population (000): 10,000**
- **Population growth rate for Jordanians: 2.4%**
- **Life expectancy: 73.5 years**
- **Percentage of population less than 15 years of age: 34.3%**
- **Inflation rate: 3.32%**
- **Economic growth at constant prices: 2%**
- **GDP per capita: 2,829.9 JD**

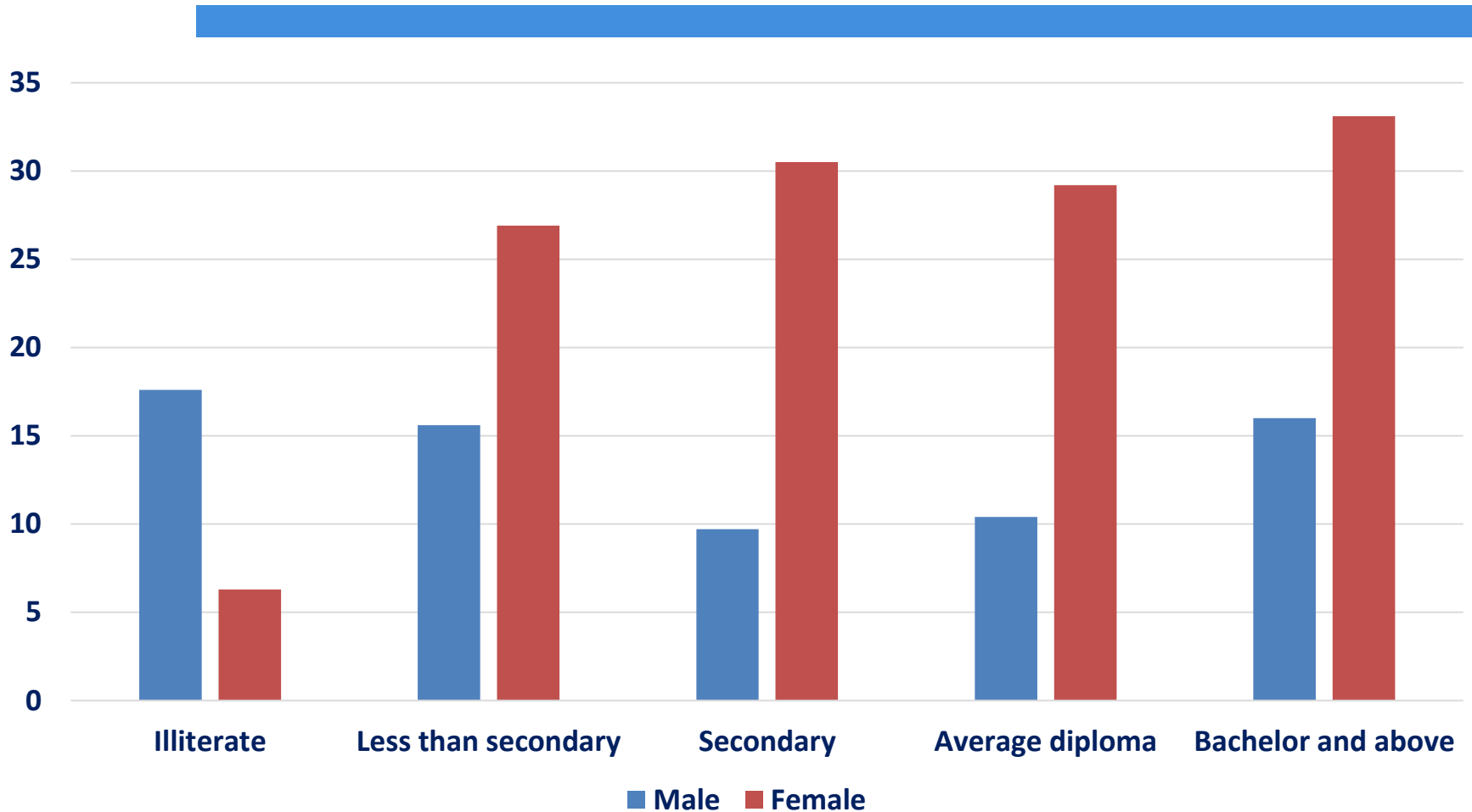
Indicators (2017)

- **Poverty ratio (2010): 14.4%**
- **Unemployment rate: 18.3%**
 - Male: 14.7%**
 - Female: 31.2%**

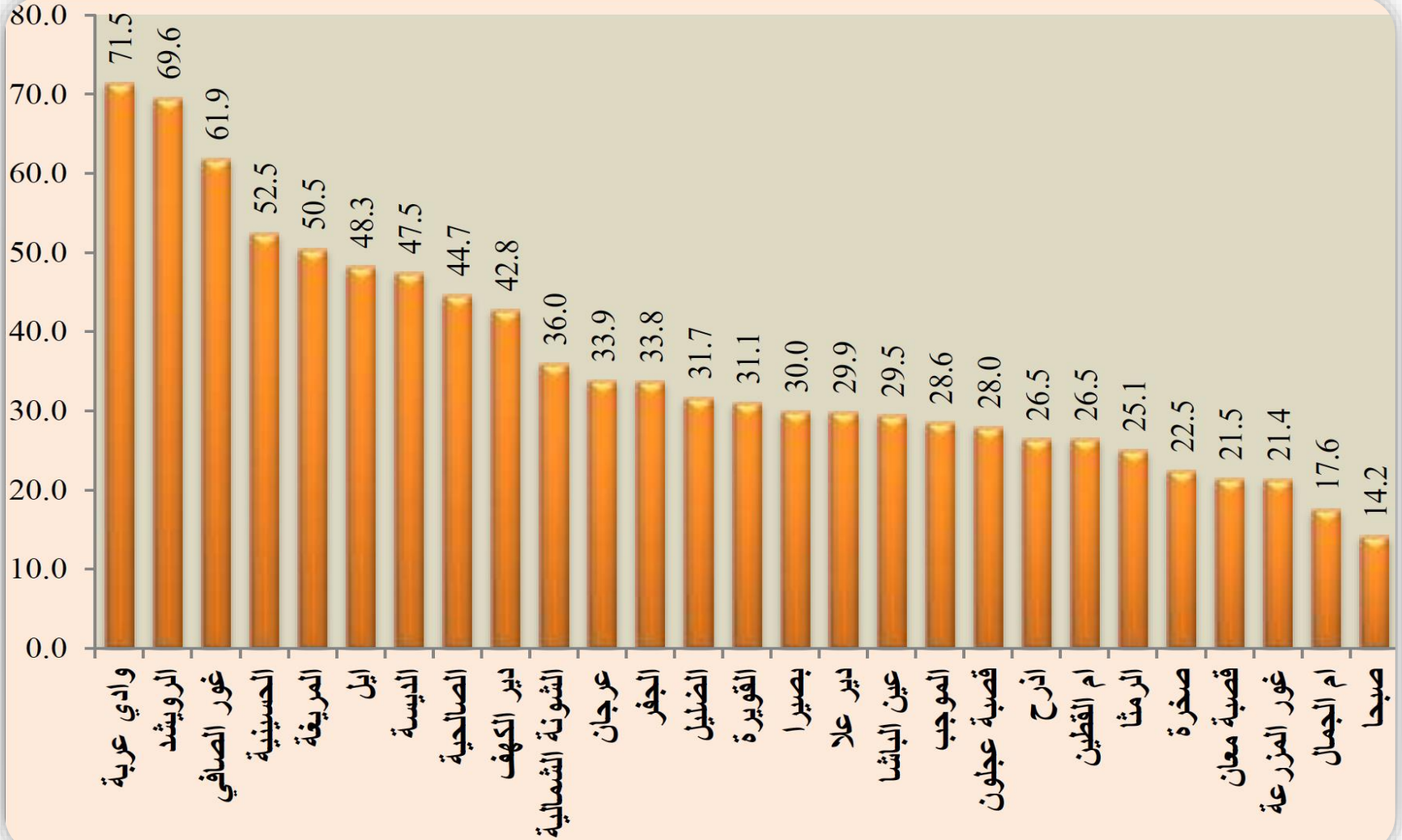
Unemployment Rate (%) by Sex and Age Group (2017)



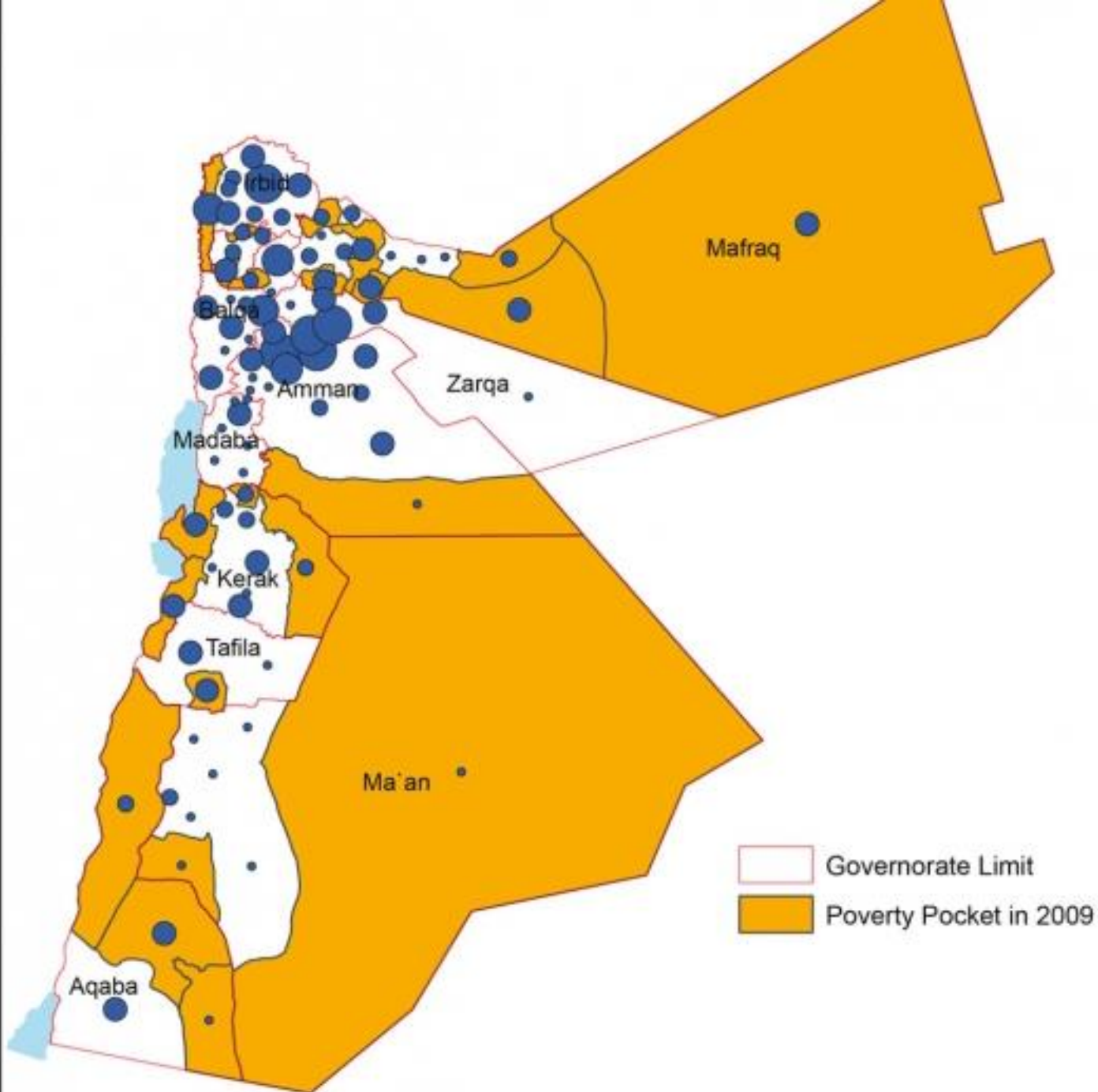
Unemployment Rate (%) by Sex and Educational Level (2017)



Poverty Pockets in Jordan (2010)

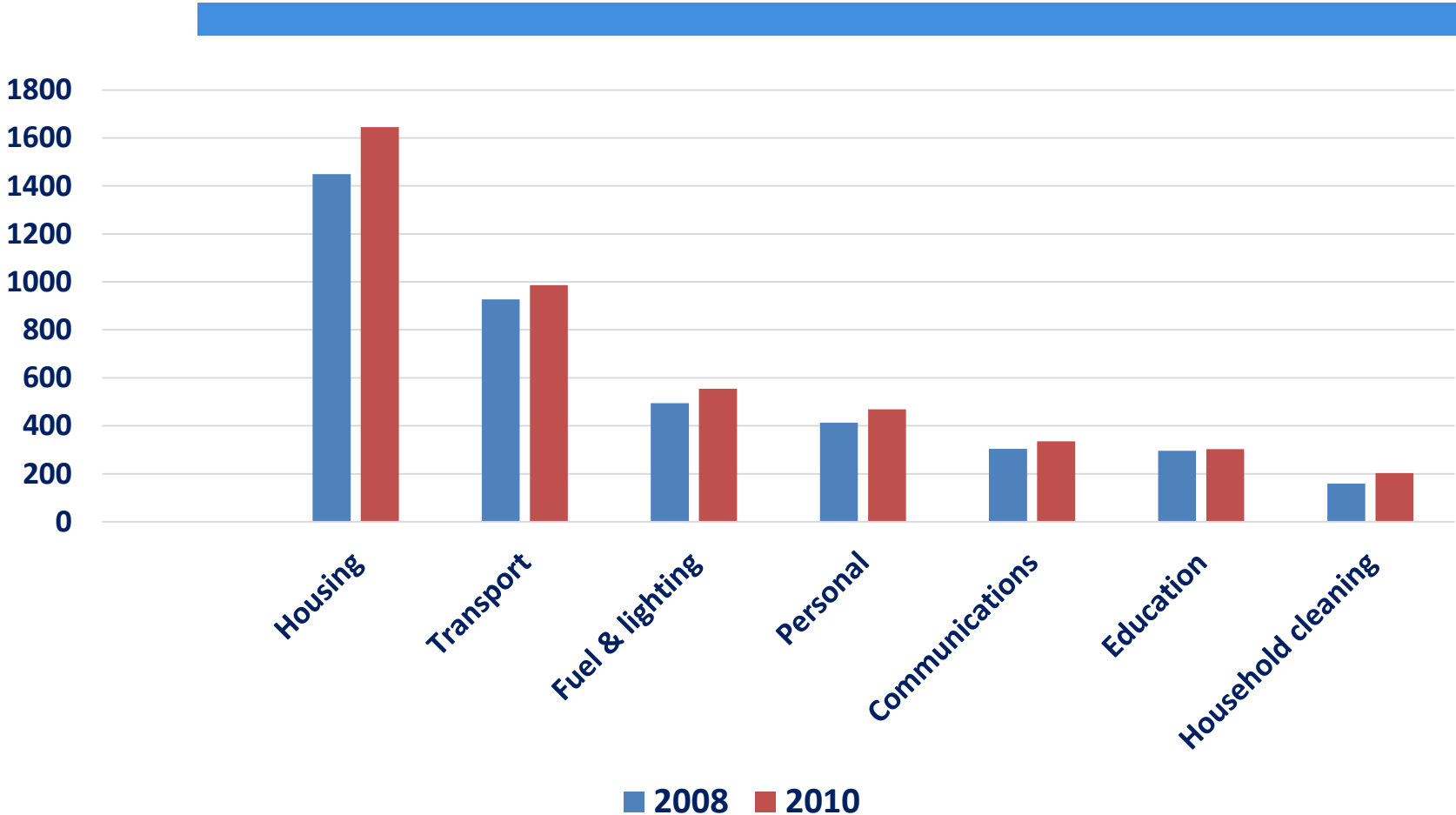


Poverty Pockets in Jordan (2009)



without a written permission.

Average annual household consumption (JD), non-food items



Indicators (2017)

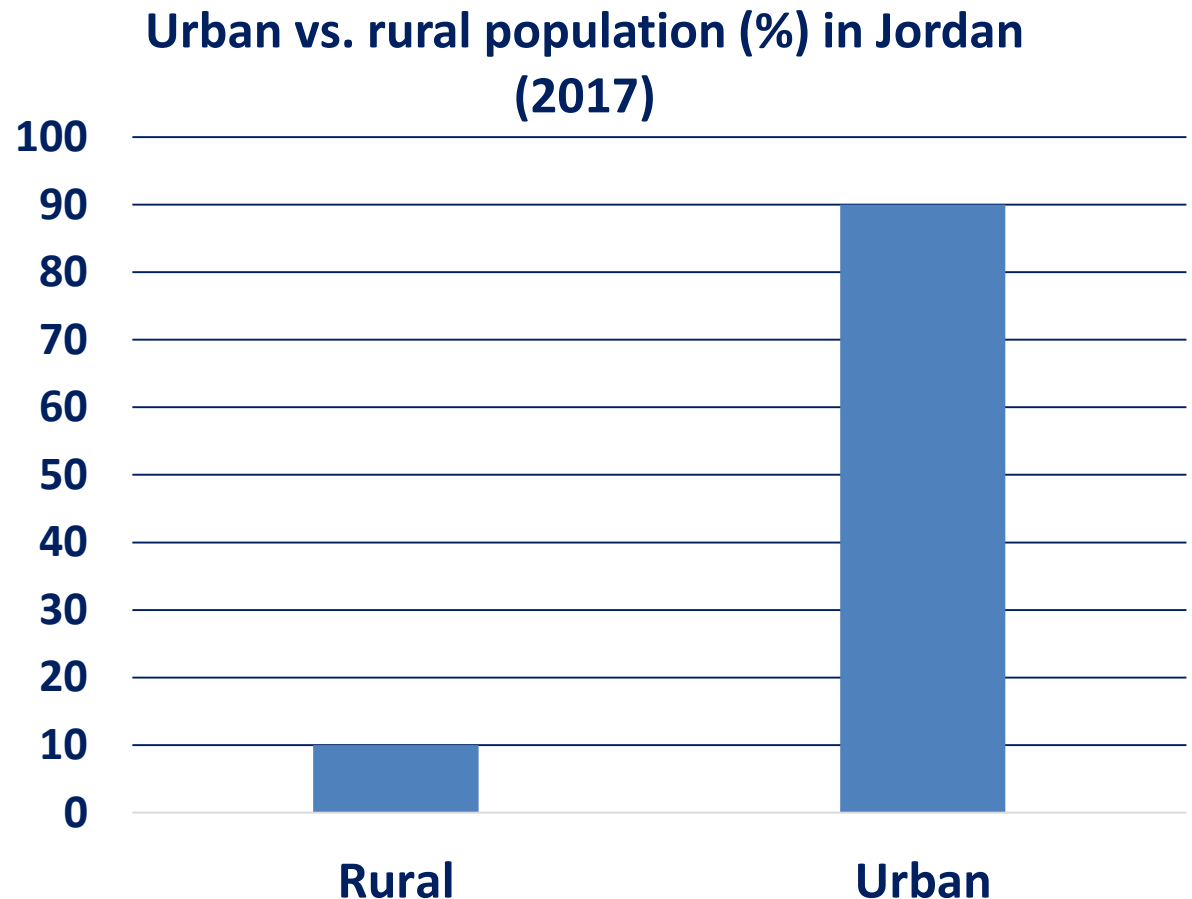
- **Rural population: 10%**
- **Percentage of households connected to sewage system: 62.1%**
- **Percentage of households who own a solar water heater: 11.6% (2013)**

Rural Areas: Definition?

According to DOS:

Rural: < 5,000 people

Urban: > 5,000 people



Rural Areas: Definitions?

Definitions of rural areas:

- **Population size (< 5,000)**
- **Type of economic activities**
- **Distance from urban centers**
- **Reliance on natural resources management**
- **Residence of project owner vs. project location**

Our Approach

- **Identify institutions that work in rural areas**
- **Learn as much as we can**
- **Synthesize a narrative about rural development challenges and opportunities**

Institutions (Partial List)

- **Ministry of Agriculture (Directorate of Rural Development)**
- **Ministry of Energy and Mineral Resources (JREEEF-SEED)**
- **Ministry of Planning and International Cooperation**
- **Ministry of Social Affairs**
- **Ministry of Tourism**
- **Ministry of Environment**
- **Economic and Social Council (ESC)**
- **Jordan River Foundation (JRF)**

- **Hashemite Fund for Human Development**
- **Hashemite Fund for Development of Jordan Badia**
- **Royal Society for the Conservation of Nature (RSCN)**
- **Social enterprises**
- **Micro Finance Institutions (MFIs)**
- **Jordan Green Building Council**
- **Private sector players**
- **UN (UNDP, UNICEF, UN Women, FAO)**
- **EU**
- **Care**
- **GEF**
- **ICARDA**

Productive Activities in Rural Areas

- Farming
- Farming using greenhouses
- Grazing
- Rearing of livestock (sheep, goats, cows)
- Rearing of poultry (production of eggs)
- Beekeeping
- Water harvesting
- Production of dairies
- Production of Jameed
- Bakery products (cookies)
- Dry foods

- Making of handicrafts (textiles, silverware, basket weaving, carpets, leather objects, basalt objects, etc.)
- Kitchens (local/seasonal cuisine)
- Soap making
- Sustainable tourism (hospitality, hiking, biking, camping)
- Harvesting of medicinal plants and herbs
- Traditional musical instruments
- Installation of RE & EE systems

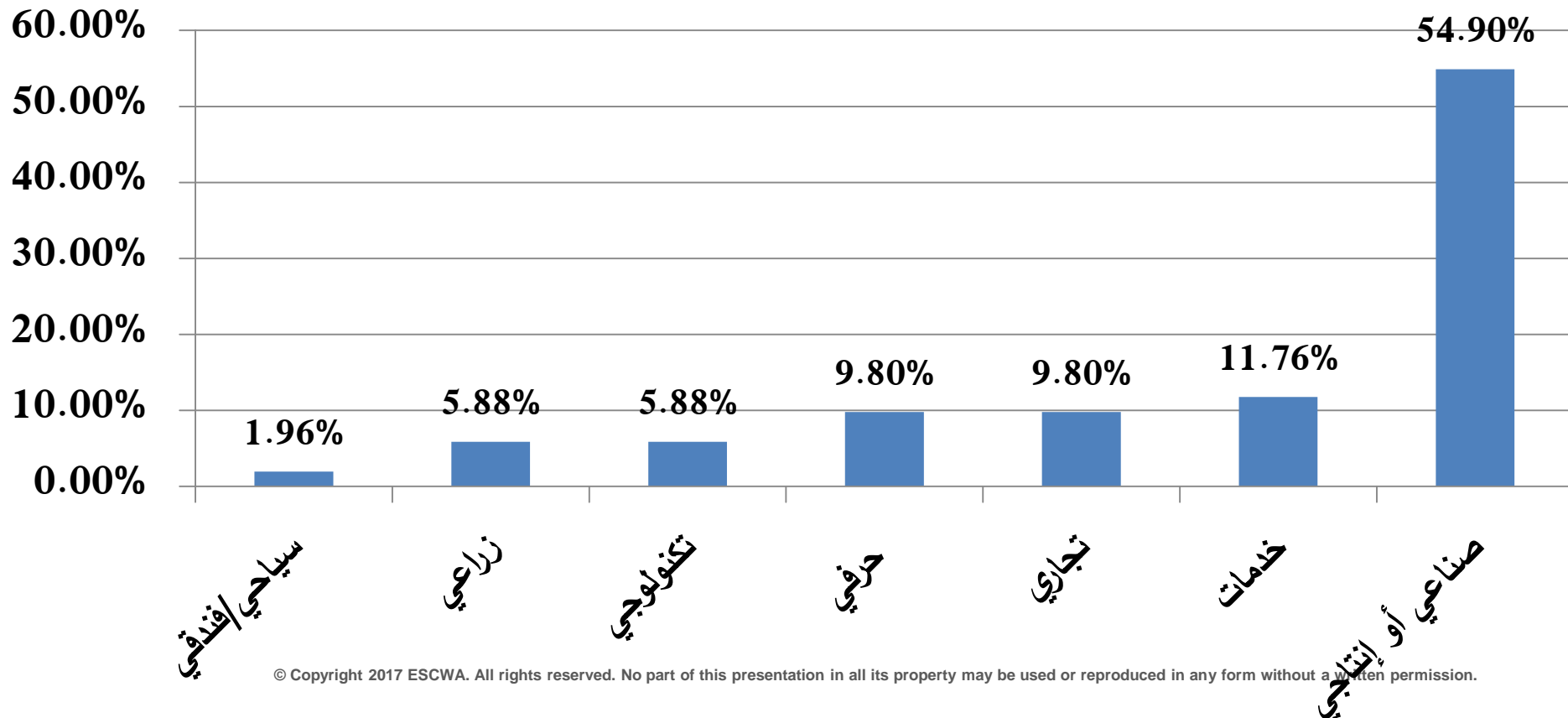
Economic and Social Council

2018 STUDY SMEs: FACTORS OF SUCCESS AND FAILURE

- **Field survey of 50 SMEs**
- **Social profile of entrepreneurs**
- **Access to capital at start-up is a major concern**

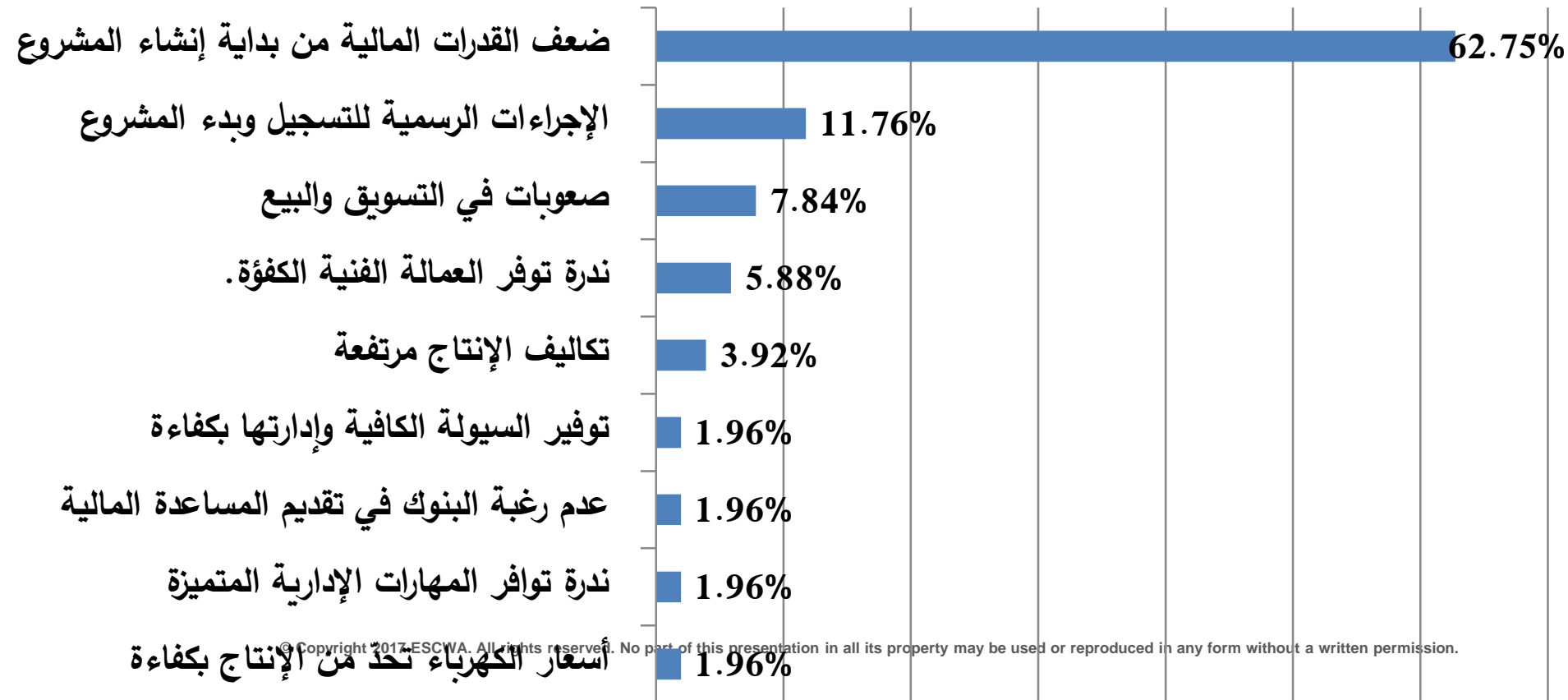
Economic and Social Council

2018 STUDY SMEs: FACTORS OF SUCCESS AND FAILURE



Economic and Social Council

2018 STUDY SMEs: FACTORS OF SUCCESS AND FAILURE

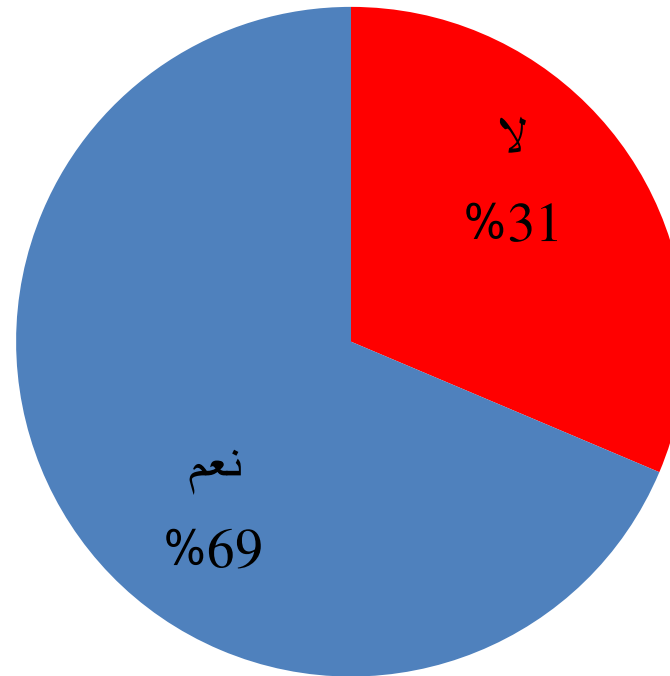


Economic and Social Council

2018 STUDY

SMEs: FACTORS OF SUCCESS AND FAILURE

WAS IT DIFFICULT TO OBTAIN CAPITAL?



Economic and Social Council

2018 STUDY

SMEs: FACTORS OF SUCCESS AND FAILURE

What were the difficulties?

