

COUNTRY STUDY

JORDAN

Social Protection Monitoring

The EU-Jordan Partnership should support the Jordanian government:

- To improve the access to basic health services, by expanding health insurance mechanisms both vertically and horizontally to include all citizens.
- To reform the public education system by improving the quality of its services.
- To develop a new strong employment strategy or update the current strategy aiming to reduce unemployment rate and informal sector.
- To unify the framework of the social protection floors, through coordination and control systems.
- In amending the Society law (22/2009) to improve the active participation of citizens and to create an enabling environment for CSOs, and the Labour Law (8/1996) and its amendments regulating Trade Unions to enable all workers to organize themselves freely.
- To create a watchdog body to investigate the financial management of the Social Security Corporation (SSC).





▼

TABLE OF CONTENTS

Executive Summary	4
Most urgent issues to be tackled	4
Key recommendations	4
Report	5
Improving equitable access to essential services and infrastructures	5
Ensuring Income Security	6
Promoting a Rights Based Approach to Social Protection	7
Freedom of Association and an enabling environment	8
Financing Social Protection	10



EXECUTIVE SUMMARY

The socio-economic impact of the massive influx of refugees from Syria has further worsened the quality of already weak basic services in Jordan, such as health and education facilities. Moreover, SOLIDAR's members and partners in Jordan note the continued expansion of the informal sector, youth unemployment, and the discrepancies between the national legislative framework on economic, social and cultural rights (ESCRs) and social protection and international law (ILO, HRs and ICESCRs) and governmental restrictions on freedom of association and collective bargaining rights. SOLIDAR's members and partners in Jordan therefore recommend that the EU-Jordan Partnership should support the Jordanian government in improving access to health and education services, updating the current employment strategy to reduce the unemployment rate and the informal sector, strengthening the framework of the social protection floors, through coordination and control systems and creating an enabling environment for CSOs and trade unions.

Most urgent issues to be tackled

- Imbalances in access to quality basic health services: worsened by the massive influx of refugees from Syria, as well as the shortage of drugs/basic material and bureaucratic sluggishness (long queues).
- Imbalances in access to and in the quality of education, mainly due to the failure of the public education system with regard to: the inability of primary school pupils to read, write and count properly; children dropping out of school because of worsening poverty; a high level of discrimination in access to universities.
- Continued expansion of the informal sector and youth unemployment: persistent structural unemployment among young people (two thirds of the Jordanian population are under 29 years

old); low minimum wages; low salary scales in both the private and public sector; expansion of the informal sector (approximately 50% of the total economy).

- Socio-economic impact of Syrian refugees, which has also led to severe discrimination in rights at work and the right to work for refugees, migrant workers, Jordanian workers in the textile industry and women.
- Gap between the national legal framework on ESCRs and social protection and international law (ILO, HRs and ICESCRs), resulting in ongoing violations of ESCRs, a fragmented social protection system, horizontally and vertically weak that excludes the poorest and does not provide full coverage, failing to integrate informal sector workers in the social security system.
- Government restrictions on freedom of association and collective bargaining rights with legal restrictions in national legislation on forming CSOs or a trade union or to carry out activities, and more frequent cases of criminalisation of labour strikes.

Key recommendations

The EU-Jordan Partnership should support the Jordanian government:

- To improve access to basic health services, by expanding health insurance mechanisms both vertically and horizontally to include all citizens; to develop a better public management of the implementation of new governmental strategies in the health sector.
- To reform the public education system by improving the quality of its services; in supporting more inclusive and integrated Vocational Education and Training policies (VET), within the overall employment strategy, taking into account the impact on vulnerable people; to reform programmes in schools and universities to combat unemployment and introduce modules on social



justice and human rights in schools.

- To develop a new strong employment strategy or update the current strategy aimed at reducing the unemployment rate and the informal sector which affect specific categories, such as youth and women; to urgently reconsider the minimum wage policies for both Jordanians and migrant workers.
- To unify the framework of the social protection floors, through coordination and control systems; through strengthening the social protection system to achieve full coverage of citizens in the health and education sectors, including all those categories not regulated and all workers in the informal sector in the system, such as domestic workers, workers in the agricultural and construction sector, taxi and bus drivers, in addition to all migrant workers; through aligning the country with certain standards.
- In amending the Society Law (22/2009) to improve the active participation of citizens and to create an enabling environment for CSOs, and the Labour Law (8/1996) and its amendments regulating trade unions to enable all workers to organise themselves freely; to increase the number of trade unions allowed by law and to enable them to participate in public consultations and the decision making process; to demand the implementation of the 2013 Jordanian Constitutional Court's decision that grants all workers in the public sector the right to organise themselves in trade unions.
- To create a watchdog body to investigate the financial management of the Social Security Corporation (SSC), which is facing a serious financial crisis.

JORDAN

-

Social Protection Monitoring

Improving equitable access to essential services and infrastructures

In terms of access to health care services, despite the adoption of an amended 2015-19 health strategy by the Jordanian government in November 2014¹, the European Commission (EC) stresses that the massive influx of Syrian refugees over the last few years negatively impacted on the quality of 'basic services (health and education), and scarce resources (water), increasing social tension'². Agreeing with the EC's statement, SOLIDAR's members and partners in Jordan point out that the public health sector has been showing a constant regression since the beginning of the Syrian conflict in terms of quality and accessibility. The high number of refugees in need of health services worsened a sector which was already weak. Bureaucratic slowness (long queues) and the shortage of drugs over the last few years have also diminished the quality of health services, worsening a sector which was already weak. In order to improve it and make it inclusive, they underline the need to expand health insurance mechanisms both vertically and horizontally, along with better public management over the implementation of new governmental strategies in this sector.

Moreover, while the public sector covers 60-65% of the population throughout the country (governorates,

1 European Commission (2015). *Implementation of the Neighbourhood Policy in Jordan. Progress in 2014 and recommendations for actions*, SWD(2015) 67 final, 25 March 2015, p.13, Retrieved 13 October 2015, from http://eeas.europa.eu/enp/pdf/2015/jordan-enp-report-2015_en.pdf

2 European Commission and EEAS (2015). *Programming of the European Neighbourhood Instrument (ENI) - 2014-2020. Single Support Framework for EU support to Jordan (2014-2017)*, p.5, Retrieved 12 October 2015, from http://eeas.europa.eu/enp/pdf/financing-the-enp/jordan_2014_2017_programming_document_en.pdf



districts, villages), the private sector features expensive services. According to a survey conducted by the Phenix Centre (2014), 69% of Jordanians interviewed enjoy high and average health services level³.

Regarding access to education, while the EC recognises the failure of the public education system as one of the key reasons for the persistent structural unemployment in the country, SOLIDAR's members and partners in Jordan point out the worsening of the quality of education at all levels. Recent official figures show how 20% of primary school pupils are not able to read, write or count properly⁴ and only 40% of university graduates possess proper analytical skills⁵. High figures of school dropout rates over the last few years (0.27% in female students and 0.24% in male students), and a high discrimination in access to universities represent other negative aspects identified in the Jordanian education system. Notably, every year, the government carries out a unified exam among the graduate students but some 70% of university seats are allocated according to fixed quotas. Hence, the rest have to pay high fees to study. As a result, there has been an increase in youth unemployment - estimated at 33% - according to the official statistics⁶.

Concerning access to Vocational Education and Training (VET), SOLIDAR's members and partners in Jordan report that the current system is relatively good with regard to teachers' training, distribution across the territory and in terms of quality. Nevertheless, both the EC and SOLIDAR's members and partners in Jordan highlight the need to improve the programmes in order to allow youth to acquire the professional skills demanded by the job market.

Lastly, in terms of access to other services, such as water and sanitation, food and housing security, the EU notes that the Jordanian government, while

3 Phenix Center for Economic and Informatics Studies, *Poll on Socio-Economic of Jordanians*, Amman, Jordan, December 2014.

4 Ministry of Education, *Statements*, Jordan, February, 2013.

5 Ministry of Higher Education, *Press conference*, June, 2014.

6 Department of Statistics, *Annual report on employment and unemployment*, Amman, Jordan, June, 2015.

granting access to basic services (health and school facilities) to Syrian refugees, extended subsidies (energy, water, bread and gas) to Jordanian citizens. In particular, SOLIDAR's members and partners in Jordan report the results of a survey conducted by the Phenix Centre (2014) on this issue: 55% of Jordanian citizens have an average capacity to cover their food needs, 18.4% are comfortably able to do so and 3% do not have any access. At the same time, they specify that 45% of Jordanians complain that there is discrimination in access to food⁷.

Ensuring Income Security

Firstly, in terms of a decent minimum wage, SOLIDAR's members and partners in Jordan stress that discrimination is common, widespread and deeply-rooted in the country. The minimum wage for Jordanian workers is fixed at 190 JOD (EUR 234), while for migrant workers and Jordanian workers in the textile industry at 110-150 JOD (EUR 140.17 – 191.14 EUR), which currently is well below the poverty line for the average family, around 400 JOD (EUR 509.70). Wage discrimination also affects women who on average earn much less than their male colleagues.

Secondly, regarding the living wage, the EU points out that despite the 'substantial progress in poverty reduction, income inequality and the widening poverty gap remains a concern⁸ in Jordan. Agreeing with the EU's assessment, SOLIDAR's members and partners in Jordan underline that the main reasons for the worsening of living conditions and the consequent rise in the poverty rates are low salary scales in both the public and private sectors, the expansion of the informal sector, which now represents approximately 50% of the total economy and the low minimum wage. The average salary is 450 JOD (EUR 575) and 90% of

7 Phenix Center for Economic and Informatics Studies, *Poll on Socio-Economic of Jordanians*, Amman, Jordan, December 2014.

8 European Commission and EEAS (2015). *Programming of the European Neighbourhood Instrument (ENI) - 2014-2020. Single Support Framework for EU support to Jordan (2014-2017)*, p.5, Retrieved 12 October 2015, from http://eeas.europa.eu/enp/pdf/financing-the-enp/jordan_2014_2017_programming_document_en.pdf



the workers earn 500 JOD (EUR 640) or less⁹. In fact, according to figures by different media sources, Jordan is among the most expensive countries in the region, especially with regard to the cost of living. Moreover, salaries outside Amman are less than the average, especially for girls (approximately no more than USD 150), which means less than the minimum wage set by the government¹⁰.

At the same time, child labour rates are still significantly high and are increasing due to the poverty levels and lower living standards. It has been estimated that approximately 50,000 children, under 16 years old, are on the labour market. Forced labour is treated as a normal labour issue in the courts, owing to a lack of awareness: the law does not consider labour as a crime unless it involves human trafficking¹¹.

Thirdly, SOLIDAR's members and partners in Jordan deplore the government's failure to provide access to unemployment subsidies owing to the lack of a specific law for that. If they exist, they are limited and only concern those people who have worked and been registered in the Social Security system for more than five years and, after finding a new job, money must be returned. Unable-to-work people are helped by MOSD through a dedicated fund.

Lastly, with regard to decent livelihoods, the EC and SOLIDAR's members and partners in Jordan agree that the informal sector is continuously increasing in size because the Jordanian economy is proving increasingly incapable of creating new job opportunities. According to the Jordanian Department of Statistics figures, in the first half of 2014 nearly to 23,000 job opportunities were created¹². This data is worrisome if compared to the 100,000 new workers from schools, Vocational Training Centres, Technical Institutes and universities injected into the labour

⁹ Department of Statistics, *Annual Statistical Book*, Amman, Jordan, September 2015

¹⁰ Phenix Center for Economic and Informatics Studies, *Decent Work in Jordan*, Report, Amman, Jordan, May 2015.

¹¹ *Ibidem*.

¹² Department of Statistics, *Annual Statistical Book*, Amman, Jordan, September 2015.

market each year. Moreover, on the basis of the last ILO report (2015)¹³, unemployment rose to 20% partly due to the influx of Syrian refugees. Women's unemployment rates are worrying as well, especially given their non-participation in the job market (88%).

Promoting a Rights Based Approach to Social Protection

With regard to Social Protection Floors (SPF), SOLIDAR's members and partners in Jordan specify that there are four social security mechanisms in the country: the military retirement system, civil retirement system, social security system and professional associations system. The government manages three of them but only 65% of the Jordanian population is covered by "formal" social protection. High-ranking public servants have greater health insurance protection, for example. SOLIDAR's members and partners in Jordan recognise that there are services provided by the government within the framework of the social protection floors for vulnerable categories, namely children, the elderly, the sick and Persons with Disabilities. However, the major problem is the lack of coordination and of control systems in such a framework, making the implementation of these services weak and ineffective. With regard to workers in the informal sector in Jordan, they are not covered by any type of social protection scheme.

In terms of the universality of social protection, SOLIDAR's members and partners in Jordan stress the situation of children who suffer from the multiple shortcomings in the management and implementation of social welfare and from the lack of a comprehensive vision for children without parental

¹³ ILO, World Employment and Social Outlook-Trends 2015; http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_337069.pdf



care within the social care system. Moreover, in the criminal system children do not benefit from the protection guaranteed by international standards and the concept of the “child’s best interests” is not upheld or respected.

On the question of social inclusion, SOLIDAR’s members and partners in Jordan have stressed the high level of discrimination that women have to face in almost all the aspects of their lives. Lower wages, a huge gap in economic activity between men and women, denial of child custody, discrimination in family law, no right to pass their nationality on to their children, cruel health practices (removal of uterus) and restrictions on mobility (husband’s permission to get a passport) are some of the most serious violations that women are subjected to.

Freedom of Association and an enabling environment

SOLIDAR’s members and partners in Jordan point out that the country’s youth are not fully guaranteed access to Economic, Social and Cultural Rights (ESCRs). Provisions in the Jordanian Constitution give all workers the right to organise.

While Jordan has ratified the ICESCR, some of the basic rights enshrined in it are not even protected in the constitution such as the right to an adequate and appropriate standard of living. Also with regard to the ICCPR, the implementation of its provisions still falls short. Among the many violations are: administrative arrest and detention (25% of total detainees) due, among others, to the wide-ranging powers bestowed upon governors; torture, despite the constitutional prohibition, whose perpetrators are rarely, if ever, prosecuted and condemned; the lack of financial and administrative independence of the judiciary system; widespread use of the military courts to try civilians (also for minors), no guarantees of legal assistance.

In regard to the issue of equality before the law, women in Jordan still face many serious problems

(despite the removal of Jordan’s reservation on Article 15 of CEDAW).

Concerning the legal framework with regard to establishing associations, the EC and SOLIDAR’s members and partners in Jordan agree on the need to amend the 2008 Law on civil society in order to reduce the obstacles to the establishment of associations and trade unions. Under this Law, an association must present a request for approval to the Ministry of Social Development and, if it does not receive any contrary notification, it is automatically registered after 60 days. These provisions are against the Jordanian constitution and international standards, as they allow the government to interfere in the internal affairs of the organisations. Recent developments give further supervisory and control powers to the government, since approval for the creation of an organisation will have to be done in accordance with the National Development Plan, and quarterly reporting to the government is foreseen for those already registered. Finally, approval is also required to hold assemblies and public gatherings. However, this request can be rejected by the Ministry of Social Development if it involves the receipt of foreign funds without a clear justification.

According to the WE Centre’s focus group on Freedom of Association held in June 2015, there are still several obstacles that prevent associations or trade unions in Jordan from operating freely: the registration requirements, the length of the approval period (60 days), some difficulties in opening bank accounts, the lack of communication with the decision-maker, and authorities’ refusal to approve associations’ names or target groups and the consequent request to change some details of the associations’ charter.

With regard to the right of trade union activity, the Labour Law restricts workers from establishing and joining trade unions. Therefore no new trade unions have been established since 1976. Many organisations have been created without authorisation and work



illegally. In the public sector there are approximately 210,000 workers for whom the establishment of trade unions is forbidden. Only 5% of workers actually enjoy the right to collective bargaining. The government is drafting a law to regulate labour unions in the public sector in response to the Constitutional Court decision n. 6/2013. According to this decision, laws must be compliant with relevant international standards. However, in reality, trade unions do not have the independence to operate freely under the terms of this draft law.

Both the EC and SOLIDAR's members and partners in Jordan report that CSOs are very concerned about the amendments to the 2006 Anti-terrorism Law and its 'broad definition of what constitutes a terrorist act' that 'could be used for prosecuting peaceful political speeches or assemblies'¹⁴. 'Since its adoption, several individuals have been prosecuted in the State Security Court under the amended provisions on charges such as 'membership of a terrorist organisation' or 'attempting to incite terrorism'¹⁵. This clearly affects the freedom of expression of each citizen, especially journalists, who can be tried in a military court if they are charged with threatening national security.

With regard to civil and social dialogue and political consultations with CSOs, SOLIDAR's members and partners in Jordan, in line with the EC's assessment, report that there are non-official and non-cyclical consultations and that a clear mechanism is lacking (the same individuals represent both the government and the CSOs). Several restrictions have been imposed over the last few years, which did not allow civil society to actively take part in national or EU decision-making processes.

Thirdly, both the EC and SOLIDAR's members and partners in Jordan stress that there were no

¹⁴ European Commission (2015). Implementation of the Neighbourhood Policy in Jordan. Progress in 2014 and recommendations for actions, SWD(2015) 67 final, 25 March 2015, p.11, Retrieved 13 October 2015, from http://eeas.europa.eu/enp/pdf/2015/jordan-enp-report-2015_en.pdf

¹⁵ Ibidem.

amendments to the legislation governing the freedom of association even though the constitution was amended (2011). Registered associations still face problems with regard to funding, dissolution and bureaucracy issues. The law does not reinforce constitutional provisions on freedom of association or freedom of assembly, which continued to be defined in the 2011 public gathering law. Some assemblies risk violating the law because of their political nature: an example is the Muslim Brotherhood assembly in April 2015, as well as the debate on the death penalty at the beginning of October 2015 which one Jordanian civil society organisation was prevented from holding. No authorisation is required for the formation of a political party, according to the new draft – submitted in May. Electoral law has changed frequently in the past decades. The principle of "One Person, One Vote" is not properly respected. New strategies to enlarge this practice and to distribute national lists of candidates have been agreed recently within the new draft electoral law - presented in early 2015. In addition, the EC specifies that 'the performance of political blocs in the lower house of parliament remained inconsistent and highly diversified'¹⁶.

SOLIDAR's members and partners in Jordan also stress that the participation of youth in the decision making process remains crucial to ensure sustainable development and democracy in Jordan. However, it is reported that even at the higher education level, students with grants from the government must refrain from engaging in any political activity or joining political parties. Even the universities handbooks prevent students from political activities. The same Election Law prevents people under the age of 25 from standing for election, while the Political Parties Law prohibits anyone under the age of 21 from founding a

¹⁶ European Commission (2015). *Implementation of the Neighbourhood Policy in Jordan. Progress in 2014 and recommendations for actions*, SWD(2015) 67 final, 25 March 2015, p.4, Retrieved 13 October 2015, from http://eeas.europa.eu/enp/pdf/2015/jordan-enp-report-2015_en.pdf



party.

Financing Social Protection

On the question of social protection expenditure in national budget, the EU recognises that 'Jordan has made substantial progress in terms of human development thanks to consistent levels of spending on education, health, pensions, social safety nets'¹⁷. In this regard, SOLIDAR's members and partners in Jordan underline that this situation is primarily due to the neoliberal policies implemented in the country in accordance with the austerity policies of the IMF and the World Bank that promote a targeted approach to social protection (as for example the social safety nets).

Whilst noting that the government does not contribute to the financing of the Social Security Corporation for private sector (it is financed by the workers and the employers only), SOLIDAR's members and partners in Jordan specify that there is no control over the management of the SSC documentation, and the press has showed how the system is beset by mismanagement and a lack of clear rules.

Concerning Social Protection expenditure in ENP programming, the government faces problems in dealing with the increase in the value of pensions for civilian and military workers in governmental institutions. The pension bill has reached EUR 1.5 billion. The percentage of social security benefits for women is linked to their participation in the labour market, which is very low (12.4%). However, 25% of women benefit from social protection. This affects directly the situation of those women who mostly take advantage of their husband's benefits.

In the area of taxation, following the adoption of a new income tax law in December 2014, the EC stresses that 'authorities raised direct taxes on a number of services

17 European Commission and EEAS (2015). *Programming of the European Neighbourhood Instrument (ENI) - 2014-2020. Single Support Framework for EU support to Jordan (2014-2017)*, p.2, Retrieved 12 October 2015, from http://eeas.europa.eu/enp/pdf/financing-the-enp/jordan_2014_2017_programming_document_en.pdf

and goods'¹⁸. Despite this, SOLIDAR's members and partners in Jordan stress that a progressive taxation system is still lacking in the country. The low number of tax brackets, the relatively narrow coverage and the high rate of tax evasion due to the lack of law enforcement and the expansion of the informal sector in the Jordanian economy remain key challenges to be addressed. Lastly, due to the huge economic deficit, the government's budget for social protection has been reduced, making Jordan even more dependent on external aid.

Current negotiations for the ratification of a new stand-by agreement with the IMF for a new economic programme have been put in place, as the implementation of the IMF agreement was completed in August 2015. The former agreement and the new one include many austerity measures such as an end to the subsidies on basic goods and services, the tax system and job cuts in the public sector.

18 European Commission (2015). *Implementation of the Neighbourhood Policy in Jordan. Progress in 2014 and recommendations for actions*, SWD(2015) 67 final, 25 March 2015, p.10, Retrieved 13 October 2015, from http://eeas.europa.eu/enp/pdf/2015/jordan-enp-report-2015_en.pdf

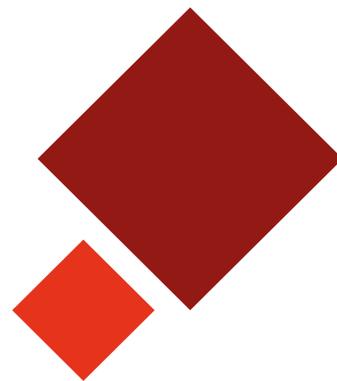




solidar

Rue du Commerce | Handelsstraat 22
1000 Brussels
Belgium
T +32 2 500 10 20
F +32 2 500 10 30

Twitter: @SOLIDAR_EU
Facebook: SOLIDAR
www.solidar.org
solidar@solidar.org



The following organizations have contributed to this report: Tamkeen "Fields for Aid", ARCS-Culture e Sviluppo, West and East Center for Human Resources Development and Phenix Center for Economic and Informatics Studies.

The Social Protection Monitor is a tool developed by SOLIDAR members of the International Cooperation Committee, to allow partner organizations and allies based in the country to evaluate the priorities of the EU in the framework of the European Neighbourhood Policy. This report has been developed in the framework of a regional program "Decent Work, Social Protection and Freedom of Association in the Middle East and North Africa region" led by SOLIDAR.

SOLIDAR is a European network of membership based Civil Society Organisations who gather several millions of citizens throughout Europe and worldwide. SOLIDAR voices the values of its member organisations to the EU and international institutions across the three main policy sectors; social affairs, lifelong learning and international cooperation.



This publication has been produced with the financial support of the European Union. The information contained in this publication does not necessarily reflect the position or opinion of the European Commission.