

The background of the slide is a stylized, 3D-rendered Jordanian flag. It features three horizontal stripes: black at the top, white in the middle, and green at the bottom. A red triangle is positioned on the left side, containing a white seven-pointed star. The flag is depicted with realistic fabric folds and shadows, giving it a sense of movement.

Jordan Cooperative Development Strategy

First draft

Presentation to the Steering Committee on 18.02.2021

Purpose of the Strategy

While cooperatives have been in existence in Jordan since 1952, the country has never designed a long-term cooperative development strategy. The urgent need for elaborating such a strategy is being felt strongly by the cooperatives themselves, the government authorities working with the cooperative movement, as well as Jordan's development partners.

The document to be presented today is the Jordan cooperative movement's five-year strategy, to be complemented by an operational action plan, and by a JCC institutional work programme.

Methodology

- A desk review of relevant reports, studies and documents related to the evolution and current status of the Jordanian cooperative movement.
- Virtual meetings and interview with relevant stakeholders (cooperative members and leaders, JCC officials and board members, the steering committee established for the design of the strategy, other relevant government authorities, development partners, etc.).
- Field visits by the national experts to three cooperatives of various types in each of Jordan's 12 governorates.
- A questionnaire distributed to selected cooperative societies.

The Problem to be addressed

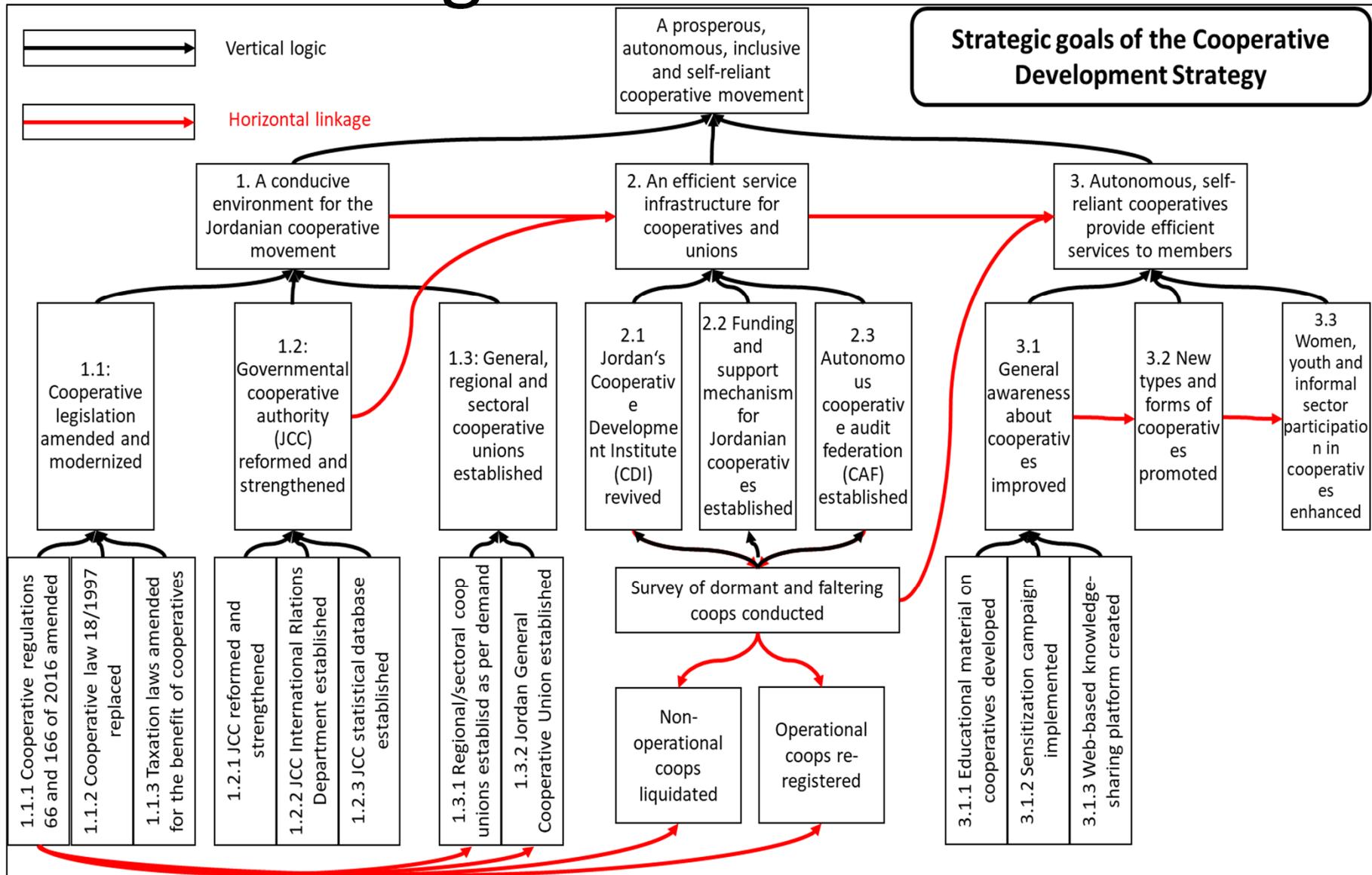
The following issues have been raised by cooperative members and leaders during interviews and field visits:

1. Insufficient access to finance and markets by cooperatives;
2. Lack of capacity building within the cooperative movement;
3. High rate of income and sales taxes;
4. High Amount of fees charged by the JCC, and insufficient technical capacity of the JCC
5. Lack of general, regional and sectoral cooperative unions, and lack of coordination between cooperatives;
6. Lack of a cooperative strategy;
7. Existence of fake cooperatives;
8. Lack of a cooperative spirit in some parts of the Jordanian society.

Strengths, Weaknesses, Opportunities and Threats

Strength	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none">• A stable socio-economic environment• A well-educated population• Over 70 years experience in cooperative development;• Many committed cooperative leaders;• Rich lessons from the past: JCU, JCI, JCB, GCU etc.	<ul style="list-style-type: none">• Inappropriate coop legislation;• High dependency on government and donor funds;• Cooperatives' small share in jobs, GDP and general population• Insufficient paid share capital• Lack of access to finance, markets and appropriate capacity building;• Insufficient horizontal and vertical integration;• Identity crisis ("fake coops");• Bureaucratic functioning of the JCC;	<ul style="list-style-type: none">• Diversification of the cooperative movement (renewable energy, high-value agriculture, tourism, transport, platform coops, etc);• Cooperatively-run factories for processing and recycling• ICT startups that can become coops;• A stronger role for women and youths in coops;• Coops as agents of peace, stability, reintegration and the formalization of the informal economy;	<ul style="list-style-type: none">• Climate change and environmental degradation;• Instability in the MENA region;• Economic slow-down;• The impact of COVID-19

Logical Framework



Outcome 1: A conducive environment

Output 1.1: Cooperative legislation

- Amend Regulations N° 36 and N° 166 of 2016 (cooperatives and unions)
- Develop a new cooperative law over time (to replace 18/1997)
- Amend taxation laws.

Output 1.2: JCC

- Separate regulatory, developmental and representational functions;
- Establish several JCC subsidiary organizations (see outcome 2);
- Create a JCC international relations department;
- Establish a comprehensive statistical database within JCC;
- Train JCC staff.

Output 1.3: Cooperative unions

- Establish regional and sectoral cooperative unions on a demand-driven basis;
- Re-establish the Jordan General Cooperative Federation.

Outcome 2: Service Infrastructure

Output 2.1: Cooperative Development Institute

- Establish the CDI as a semi-autonomous JCC subsidiary, in charge of training, research, communication, consultancies and advisory services.
- Train CDI staff;
- Conduct a survey of all existing cooperatives, and liquidate the dormant ones.

Output 2.2: Cooperative Development Fund

- Establish the CDF as a semi-autonomous JCC subsidiary to centralize all loan and grant funding to cooperatives.
- Establish a cooperative risk management facility within the CDF
- Train CDF staff

Output 2.3: Cooperative Audit Federation

- Establish the CAF as a semi-autonomous JCC subsidiary, or a unit of the future JGCF, to carry out all cooperative audits in Jordan.
- Train CAF staff

Outcome 3: Self-reliant Cooperatives

Output 3.1: Awareness about cooperatives

- Develop educational material on cooperatives;
- Carry out awareness-raising campaigns;
- Establish a web-based knowledge-sharing platform.

Output 3.2: New types and forms of cooperatives

- Promote, on the basis of proper feasibility studies, new types of cooperatives (see list in the text)
- Provide comprehensive technical, financial and representational support services to these new cooperatives through CDI, CDF, JCC and JGCF

Output 3.3.: Inclusive cooperatives

- Enhance youth and women's participation in cooperatives;
- Promote cooperatives within the informal economy;
- Continue issuing work permits to refugees through cooperatives.

Performance indicators

Indicator framework for the Jordan cooperative development strategy				
Objective	Outputs	Indicator	Baseline	Target
<p><i>Development Objective</i></p> <p>A prosperous, autonomous, inclusive and self-reliant cooperative movement</p>		Cooperative density in Jordan	1.4%	3%
		Number of jobs created by coops	20,000	30,000
		Contribution of coops to GDP	0.1%	0.6%
		Total assets owned by coops (million JD)	95.8	120
		Percentage of coops generating a surplus	66%	75%
		Percentage of female members in Jordanian cooperatives	5%	15%
		Awareness about cooperatives among Jordanians aged 15+ years	Tbd	66%

Implementation schedule

CDS Implementation Schedule				
Outcomes, outputs and key activities	Implementing Actors		Timeline	
	Principal Actor	Supporting Actor	Date	
			Start	End
Objective 1: Conducive Environment				
Output 1.1.: Cooperative Legislation amended				
1.1.1: Amend regulations 36 and 166 of 2016 to align them with international standards	JCC	International cooperative law expert	02/21	10/21
1.1.2: Develop model by-laws on the basis of the revised regulations	JCC	National cooperative law expert	11/21	12/21
1.1.3.: Formulate and adopt a new cooperative law replacing law 18/1997 and regulations 36 and 166/2016	JCC, Parliament	JGCF, international consultants, ILO	01/23	12/24
1.1.4.: Develop a lay-person's guide on the new law	National consultant	JCC, ILO	01/25	03/25
1.1.5: Carry out a popularization campaign on the new law	JGCF, CDI	National media (print, TV, radio, web, phone companies)	03/25	04/25
1.1.6: Conduct a re-registration campaign of all existing cooperatives	JCC	CDI, CAF, JGCF	01/25	05/25
1.1.7: Liquidate all dormant cooperatives	JCC	CAF	06/25	12/25
1.1.7: Amend income tax law to reduce tax rate for coops	Ministry of Finance	JCC	06/22	12/22

Additional elements

- Risks and assumptions;
- Monitoring and evaluation arrangements;
- Financial aspects;
- Validation of the strategy;
- References, statistical tables and charts.