

# Press release: Prime Minister announces UK aid to boost Jordan's prosperity

Prime Minister Theresa May will today (28 February) set out an increased UK aid package of support to help Jordan's economy become more self-sufficient at a major international conference in London.

The Prime Minister will use the 'Jordan: Growth and Opportunity' conference to call on global leaders and businesses to follow the UK's lead and invest in Jordan's future.

Today's announcement will provide new investment grants to create new jobs, boost productivity and increase the country's economic resilience.

The package will be tied to Jordan's own ambitious plans, with most grants linked to delivery of reform. It will help to stabilise Jordan's economy and support the country's promising entrepreneurs as they build small and medium sized businesses.

The UK sees Jordan as a critical partner at the heart of an unstable region and will continue working closely with its key ally in the interest of mutual security, stability and prosperity.

Speaking from the Jordan conference, International Development Secretary Penny Mordaunt said:

Jordan is a nation which is doing the right thing. It is reforming its economy, investing in its people and in the wake of the conflict in Syria has taken on a huge share of the responsibility of providing a safe haven for millions of refugees. It is a beacon of stability amid the conflict and uncertainty of the Middle East.

We must stand by Jordan and support its ambitious plans for economic reform. We will all benefit from the greater stability, security and trade that growth in Jordan will bring.

Today's UK aid support includes:

- using Britain's development programme in the UK's national interest and in close partnership with the private sector – announcing that the UK will underwrite a \$250 million World Bank loan to Jordan;
- a new £14m contribution to a new World Bank-led trust fund for Jordan. This pools international donations which will be spent on modernising government systems, promoting exports and making doing business easier;
- a new £50m contribution to a multi-donor fund to provide low-interest loans tied to reform and a Youth, Technology and Jobs programme with a

- focus on jobs and business opportunities for Syrian refugees;
- a new partnership between the UK Government and Government of Jordan to strengthen commercial relationships and unlock investment opportunities;
- the deployment of top British experts to work with Jordan's economic institutions, to help modernise its banking system, improve its business environment and boost its tax revenue; and
- using English language training to help further enhance cooperation with Jordanian military and border forces. This will lead to more effective joint operations between the UK and Jordan, enabling better security for both countries, as well as smoother trade and travel for English speakers.

By supporting Jordan's long-term prosperity, the UK will boost the potential of the country as its future trading partner, support stability in the Middle East and tackle international threats like global terrorism.

Support to Jordan follows the bold new approach set out on the PM's visit to Cape Town last summer where she announced that international development should be done with the UK's national interest in mind.

The UK aid package announced today involves expertise and funding from across the UK government, including the Department for International Development, Department for International Trade, Home Office, the British Council and the Conflict Stability and Security Fund.

The event in London will champion Jordan as a key partner for international trade, underlining the power of investment to enable countries to move to a future beyond aid.

## **Notes to editors**

Today's announcement takes the UK's bilateral support to Jordan up to £650 million over five years, a doubling of the UK's previous funding. In addition, the UK will underwrite a \$250 million World Bank loan to Jordan. Over the last five years, the UK's support was around £300 million to Jordan.

Over the next five years the UK's bilateral support to Jordan includes:

- The UK will provide a new £50 million to the World Bank's Global Concessional Financing Facility over the next four years. This will include grant-financing to enable Jordan to undertake key economic reforms and will go towards a Youth, Technology and Jobs programme with a focus on jobs and business opportunities for Syrian refugees; and
- A £14m contribution to a new World Bank led trust fund for Jordan. This pools international donations which will be spent on modernising government systems, promoting exports and making doing business easier.

In addition to the UK's bilateral support the UK is also helping Jordan in the following ways:

- using Britain's development programme in the UK's national interest and in close partnership with the private sector – announcing that the UK

will underwrite a \$250m World Bank loan to Jordan;

- a contribution to a global finance initiative supporting SMEs, enabling banks to give out more loans to Jordanian entrepreneurs setting up small and medium-sized businesses;
- a partnership between the Bank of England and the Central Bank of Jordan which will support Jordan's reform of its banking system. This will include technical expertise to enhance the stability and resilience of the financial system, maintain price stability and reduce wider economic risks;
- the UK government and Government of Jordan will launch a new partnership to strengthen commercial relationships, boost trade between the two countries and unlock investment into Jordan. Staff from the UK's Department for International Trade will work with the Jordanian embassy to support Jordanian companies looking to invest in the UK and British and international companies hoping to export to Jordan. The Department will also be providing direct support to His Excellency the Minister for Investment on his economic transformation programme, with a focus on trade and investment. The unique partnership will increase bilateral trade between the two countries and help create jobs and ensure economic stability;
- the Home Office's Immigration Enforcement International (IEI) has started a programme of English language lessons for Jordanian Border Officers based at Queen Alia International Airport in Amman. This commenced in January 2019 and will continue until March 2020;
- an agreement between the UK Office of National Statistics and the Jordanian Department of Statistics (DoS) to work together on a new strategy that supports the Jordanian government to use data to improve its policy making;
- a pledge by HMRC to work together with the Government of Jordan's Income and Sales Tax Department to design new systems to increase tax revenue and prevent tax avoidance; and a BEIS mentoring programme to help Jordan in reforms aimed at making it easier to do business in the country. This will help attract future international investment in Jordan.