

CLIMATE CHANGE LEGISLATION IN JORDAN

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The 2015 Global Climate Legislation Study A Review of Climate Change Legislation in 99 Countries



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Jordan

Legislative Process

The Hashemite Kingdom of Jordan is a constitutional monarchy composed of three branches: the executive branch, the government (the Prime Minister and Cabinet), the legislature, and the judiciary. The legislative branch is bicameral: the House of Notables, containing 75 senators appointed by the King, and the House of Deputies, containing 150 deputies directly elected by the King's subjects. The constitution grants the King authority to dissolve either house of Parliament and to expel any member of either the House or Senate at will. The normal parliamentary term is four years, which may be extended for one year by royal decree.

Jordan has a multi-party parliamentary political system. There are 30 political parties registered but few are considered to oppose the ruling government or executive authority. During the "Arab Spring", protests and popular pressure resulted in the King reshuffling the Cabinet (including the Prime Minister) and passing some political reforms to further democratic participation.

Legislative power is shared between the government and both houses of Parliament. Legislation may be submitted as a bill by either house of Parliament, although it is more commonly the Prime Minister who proposes legislation to the House of Deputies (the Lower House), where a special legislative committee considers the proposal. The deputies may accept, amend or reject the proposal. Should a proposal pass the sub-committee, the government drafts a formal bill, which it then submits to the House of Deputies for a vote. If approved by the House of Deputies, the bill is considered by the House of Notables (or Senate) for debate and vote. Should a bill fail to pass the upper house, it is returned to the Lower House for amendment. Should the House and Senate fail to agree on draft legislation, it can be passed by a two-thirds majority vote of a joint session.

A bill passed by both Houses of Parliament becomes law if the King declares it so through Royal Decree. Should the King reject the bill, it returns to the House of Deputies with explanations for his refusal; and the elected officials repeat the debate and vote again. If the elected Lower House and the King-appointed Senate meet for a joint vote and pass a bill formerly rejected by the King by a two-thirds majority, the draft legislation becomes law by Legislative Decree.

Approach to Climate Change

As detailed in Jordan's third report to the UNFCCC (submitted in December 2014), the country stands to disproportionately suffer from climate change in the future, especially with regards to drought and water scarcity. Jordan faces

severe water scarcity (it receives 145 m³ per capita, per year). The government has stressed the need to adapt to threatened water scarcity, especially in the agriculture sector. The Minister of Environment has declared water scarcity as “the single most important constraint to country growth and development”.

In 2013 Jordan launched its National Climate Change Policy for 2013-2020, claiming it as a first of its kind in the Middle East. Jordan considers itself a leader in climate change, having presented the first UNFCCC report of all the non-Annex 1 countries that are party to the treaty.

The plan has three long-term goals:

- To achieve a pro-active, climate risk resilient Jordan; remaining a low-carbon growing economy with sustainable water and agricultural resources, healthy ecosystems and climate resilient communities
- To build adaptive capacity of communities and institutions, including social issues related to gender and vulnerable groups, increasing resiliency of ecosystems to climate change, especially as it relates to water resources and agriculture; taking full advantage of any mitigation opportunities
- To prioritise both mitigation and adaptation to climate change, but with emphasis on adaptation, given Jordan’s relatively low carbon-emitting economy and vulnerability to water shortages as a result of climate change

In addition to the National Climate Change Policy, written by the Ministry of Environment and endorsed by the Council of Ministers, other ministries, including the Ministry of Energy and Mineral Resources, the Ministry of Agriculture and the Ministry of Health, are revising current strategic plans or drafting new strategic plans that incorporate and/or strengthen climate change objectives.

Strategic plans developed by ministries and in some cases, such as the National Climate Change Policy, considered and endorsed by the Council of Ministers, have been the choice policy tool to confront climate change to date. Only two pieces of legislation, both related to renewable energy or energy efficiency, respond directly to climate change. Given the authority of the executive branch, the Council of Ministers and their respected ministries, strategic ministerial plans carry considerable weight despite lacking the juridical aspect of parliamentary legislation.

Energy demand

The Ministry of Energy and Mineral Resources estimates that energy demand will reach 16.8m toe by 2020, and increase by 50% increase from current levels in 50 years’ time. This represents a stress on the economy because Jordan

imports nearly all of its energy (96% as of 2007), namely oil and natural gas. But based on recent energy efficiency measures, energy consumption could be reduced by 20% solely by introducing more efficient means of extraction, supply and consumption.

The General Energy Law regulates energy efficiency for some electronic devices to increase efficiency at the consumer level. The government is also phasing out electricity subsidies that artificially lowered the cost paid by households for their energy. By 2008, it is reported that most subsidies had been eliminated or reduced, incentivising users to curtail wasteful consumption.

Energy supply

Jordan sees significant opportunities to increase energy efficiency and overcome a number of supply-side barriers. According to the second UNFCCC report barriers to efficiency are: (1) lack of knowledge among energy users of the benefits of energy efficiency, (2) lack of expertise to develop energy efficiency projects, (3) high initial implementation cost, (4) lack of suitable financing mechanisms, as banks lack experience and awareness in energy efficiency and need assistance on risk analysis and mitigation to achieve bankability, and (5) lack of consistent institutional frameworks.

Much of the savings projected will be achieved by increasing the amount of natural gas imported from Egypt and possibly Iraq and Saudi Arabia; but the government has also introduced legislation to increase national production and consumption of energy from renewable sources (defined as solar, wind, biofuels, geothermal and hydropower). The Renewable Energy and Energy Efficiency Law (2010) establishes the legal framework to open land to renewable energy extraction as well as a fund to finance such projects.

The law was developed with reference to the Master Strategy of the Energy Sector, approved by the Council of Ministers in 2004 and updated in 2007. The plan set the goal of raising renewable energy to 20% of total energy consumed (from 1% of the total in 2007). Additionally, it detailed obstacles to achieving national energy objectives. One obstacle to increasing renewable energy production was the high cost of investment and lack of large tracts of the land necessary for many types of renewable technologies. Such challenges have been addressed by establishing funds to encourage investment and the legal means to allocate state-owned lands and to buy privately-owned lands.

As of 2012, the Ministry of Energy and Mineral Resources had approved 34 renewable energy investments by international and local companies, 22 in solar power and 12 in wind power for a total of 1,000 MW production.

Energy Demand

Most legislation concerning energy efficiency and emissions reductions has focussed on the supply side. However the government has initiated a Demand Side Management programme to make consumption more efficient. One project highlighted in Jordan’s Third UNFCCC National Communication is the Variable Speed Drive Project. With USD65m in financing over five years, the project incentivises voluntary upgrades of motors in heavy equipment to control speed and reduce energy consumption. The Third Communication also list a number of proposed projects, from home insulation to using more efficient street lamps; however there is no stated timeframe for their implementation.

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The Ministry of Agriculture is reportedly revising its National Strategy of Agriculture for 2013-2020. It should take into account the National Climate Change Policy. Specifically, the revised plan shall focus on the agricultural sector’s resilience to climate change.

Adaptation

In the 2014 National Communication to the UNFCCC, a new vulnerability assessment is presented within a sophisticated framework of risk and capacity for resilience. Vulnerability and adaptation to climate change is presented in seven sectors – water, agriculture, biodiversity, coastal areas, urban areas, health sector, and local communities – with a set of policy recommendations for each sector.

Jordan: Legislative Portfolio

Name of law	Renewable Energy & Energy Efficiency Law, No. 3 of 2010
Date	2012
Summary	<p>The renewable energy and energy efficiency law provides the legislative framework to encourage exploitation of enable energy sources, further supply-side energy efficiency and streamline private sector investment through incentives.</p> <p>The law states that to achieve the objectives the government will focus on:</p> <ul style="list-style-type: none"> • Increasing investment in renewable energy extraction, thereby increasing the proportion of renewables in the energy mix • Working towards sustainable development through environment-friendly energy extraction • Pursuing rational and efficient energy extraction <p>The Ministry of Energy and Mineral Resources is in charge of enacting the law, and a first order of business was the identification of geographic areas for renewable energy exploitation. These areas, co-ordinated with the Ministry’s Energy Master Plan, will be prioritised for development in a Land Use List, approved by the Council of Ministers. Areas identified for exploitation that are “treasury land” (owned by the state) shall be allocated to renewable energy projects. Lands owned by individuals shall be purchased based on existing legislative authority, if approved by the Council of Ministers.</p>

In addition to hosting a competitive bidding processes to develop projects on lands prioritised on the Land Use List, individuals or projects may approach the Ministry of Energy and Mineral Resources with a specific proposal to develop an extraction site on any lands in the country (already identified on the Land Use List or not) which have not already been allocated by a public tender. The law outlines the requirements for such proposals and a general outline for the decision making process.

The law specifies the purchasing arrangements of the electricity from bulk suppliers; much of this framework is pre-existing in the General Electricity Law.

Under the renewable energy law, individual homes may also produce their own renewable electricity, and sell any surplus energy back to the grid, with the price set by the purchase tariff specified in the Bulk Supply Licensees or the Retail Supply Licensees.

This law establishes the Renewable Energy and Energy Efficiency Fund, which shall be administratively and financially independent. The Fund is overseen by the Board of Directors of the Fund, composed of the vice-chairman of the Ministry of Energy and Mineral Resources; the secretaries-general of the Ministries of Environment, Planning and International Co-operation, and Finance; a commissioner nominated by the Chairman of the Board of Commissioners of the Commission, and three representatives of the private sector appointed by the Council of Ministers. The Fund draws resources from: government allocations from the general budget, returns on investments, aid or gifts from national or international donors.

Name of law	General Electricity Law No 64 of 2003
Date	2003
Summary	<p>This law is a general regulatory framework for the generation, distribution and sale of electricity in the Kingdom, and has been updated over the years. The 2003 update includes language that is directly related to climate change despite the fact that the law does not name climate change as an objective. The law states that energy efficiency shall be a national priority, a precursor to the law concerning renewable energy summarised above. In addition, the General Electricity Law grants authority to the Electricity Sector Regulatory Commission to provide incentives (not specified in the law) to encourage improved technological efficiency; and to participate in the regulation of efficiency standards for electric devices officially issued by the Standards and Meteorology Corporation.</p> <p>Previous additions to the law passed in 2002 allowed private energy companies to access to the electricity grids as well as set guidelines for renewable energy projects. Large-scale projects (above 5MW) would be contracted through competitive tendering (no longer necessary due to the provision in the renewable energy law), small-scale (below 5MW) through direct negotiations and very small scale (below 1MW) for auto-generation and only to be bought during peak demand.</p>

Jordan: Executive Portfolio

Name of policy	The National Climate Change Policy of the Hashemite Kingdom of Jordan 2013-2020
Date	May 2013

Summary Jordan's National Climate Change Strategy is a seven-year plan with three main objectives:

- To achieve a pro-active, climate risk resilient Jordan; remaining a low-carbon growing economy, sustainable water and agricultural resources, healthy ecosystems and climate resilient communities
- To build adaptive capacity of communities and institutions, including social issues related to gender and vulnerable groups, increasing resiliency of ecosystems to climate change, especially as it relates to water resources and agriculture; taking full advantages of any mitigation opportunities
- To prioritise both mitigation and adaptation to climate change, but with emphasis on adaptation [given Jordan's relatively low carbon emissions

The strategy lists seven short-term goals.

- Provide guidance to government ministries in order to implement policy related to climate change adaptation and mitigation
- Facilitate the incorporation of climate change adaptation and mitigation into various private and public sectors, policies and legal frameworks
- Encourage strategies maximising co-benefits as it relates to health and minimising unintended negative consequences
- Encourage the integration of climate change mitigation objectives into key sectors' policies (energy, transportation and waste)
- Take note of the needs of vulnerable groups while devising adaptation and mitigation policies, and incorporating adaptation and mitigation into green growth strategies and other policies as they relate to vulnerable groups (youth, elderly, women, poor)
- Mainstream climate change considerations in infrastructure and land-use planning and services
- Provide a strategy to ensure adequate financing for mitigation and adaptation objectives, strengthening institutional and human resource capacity

The Strategy document overviews the country's strategies to combat climate change across various sectors and delineates the strategic actions that the country will implement in the coming years. Special attention is given to "vulnerable groups" that stand to disproportionately suffer from the negative effects of climate change, as well as strategies to address gender imbalances between men and women. The document also details how the Climate Change Strategy will be monitored from a policy implementation perspective as well as institutional arrangements that will encourage adoption of climate change perspective in ministries outside of those directly involved with environmental management.

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