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**Water and
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in the ENI Southern Neighbourhood region



Synthesis Note

N-E-JO-2

**Consolidation activities on Green Banking and support to green
investment opportunities to curb plastic waste in Jordan**

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WATER AND ENVIRONMENT SUPPORT IN THE ENI SOUTHERN NEIGHBOURHOOD REGION

The "Water and Environment Support (WES) in the ENI Neighborhood South Region" project is a regional technical support project funded by the European Neighbourhood Instrument (ENI South). WES aims to protect the natural resources in the Mediterranean context and to improve the management of scarce water resources in the region. WES mainly aims to solve the problems linked to the pollution prevention and the rational use of water.

WES builds on previous similar regional projects funded by the European Union (Horizon 2020 CB/MEP, SWIM SM, SWIM-H2020 SM) and strives to create a supportive environment and increase capacity all stakeholders in the partner countries (PCs).

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ABBREVIATIONS

<i>ABJ</i>	Association of Banks in Jordan
<i>CBJ</i>	Central Bank of Jordan
<i>EBRD</i>	European Bank for Reconstruction and Development
<i>MoE or MoENV</i>	<i>Ministry of Environment</i>
<i>Mol</i>	Ministry of Industry
<i>MoM</i>	Minutes of meeting
<i>NKE</i>	Non-Key Expert
<i>P2P</i>	Peer to Peer
<i>SUPs</i>	Single-use plastics
<i>WES</i>	Water and Environment Support in the ENI Neighbourhood region

1 CONTEXT OF THE ACTIVITY

The activity "Consolidation activities on green banking and support to green investment opportunities to curb plastic waste in Jordan" (Activity No: N-E-JO-2) is a technical assistance initiative led by WES (Water, Energy and Sustainable Development) in collaboration with the Ministry of Environment (MoENV) in Jordan. Its purpose was to support the implementation of the Green Economy roadmap and green investment opportunities in the waste sector in Jordan, with a specific focus on addressing Single-Use Plastics (SUPs) and promoting Green Banking.

The primary objective of this activity was to enhance the capacity of the banking sector and other relevant sectors to promote sustainable investment opportunities that contribute to the transition towards a green economy. It aimed to facilitate access to green investments, particularly in the waste sector, with a specific emphasis on plastic waste and SUPs. The activity also aimed at improving the understanding of the factors that enable or hinder the Central and Commercial Banks of Jordan, as well as the private sector, to invest in green projects.

The activity was closely coordinated with the WES Focal Point at the Ministry of Environment (MoENV) in Jordan, and the EU Delegation to Jordan was actively involved in its implementation. Additionally, it was linked with another "twin" WES activity called "Contribution to the development of a joint public-private roadmap to transition to reduce the use of single-use plastics (SUPs) in Jordan" (N-E-JO-1). This complementary activity aimed to enhance the country's awareness and capacity to address the challenges posed by plastic pollution, specifically focusing on reducing the use of SUPs.

By combining efforts through these activities, WES, the Ministry of Environment, and other stakeholders aim to foster sustainable investment practices, encourage the transition to a green economy, and mitigate the environmental impacts associated with plastic waste, particularly SUPs, in Jordan.

2 SUMMARY OF ACTIVITIES

2.1 SCOPING AND INCEPTION PHASE

The activity focused first on identifying potential barriers to green financing and providing suggestions to address them. The following activities were conducted:

1. A desk study was conducted to understand the comparable situation in Lebanon.
2. Identification and engagement of key structures and actors through meetings, interviews, and calls.
3. Preparation and circulation of a survey to multiple banks, followed by analysis of the survey results.
4. Collection of information on environmental projects related to the wider environmental sector, particularly solid waste and plastics, submitted to banks for financing. This included both approved and rejected projects.

5. Light assessment of project scope, technical and economic profiles, current finance practices, selection criteria for green funding, and reasons for projects being considered non-bankable or unfit for green funding.

2.2 SUGGESTIONS FOR ADDRESSING INHIBITING OPERATIONAL ASPECTS

The discussions and analysis conducted revealed the following key points:

1. The European Bank for Reconstruction and Development (EBRD) plays a significant role in collaboration with banks in Jordan, particularly the Central Bank of Jordan (CBJ).
2. The CBJ is working on developing a Green Banking Strategy in partnership with the EBRD. They distributed the WES questionnaire to commercial banks through the Association of Banks in Jordan (ABJ), and responses were received from eleven banks.
3. The CBJ has formed a Steering Committee and a Technical Committee to support the development of the Green Banking Strategy.
4. All banks expressed their full support for the WES project and are eager to receive the CBJ's Green Banking Strategy.
5. Meetings with the Ministry of Environment highlighted several suggestions, including the need to implement the waste hierarchy scheme to reduce plastic waste, promote the circular economy, apply the principles of polluter pays and extended producer responsibility, and align single-use plastics policies with waste management laws, green growth strategies, and sustainable development goals.
6. Discussions with the Chamber of Industry and the private sector focused on the challenges in plastic manufacturing and exploring ways to utilize plastic waste. Feasible financing solutions were also discussed, although a clear path forward has not been defined.

These findings would provide valuable insights for shaping future actions and policies related to green banking, plastic waste reduction, and sustainable development in Jordan.

2.3 CONSULTATION AND DISCUSSION WITH STAKEHOLDERS

To discuss the findings of the work done so far with the stakeholders in Jordan, a 1-day consultation meeting took place on May 17th, 2023 (it was done jointly with N-E-JO-1). The objective was to present and discuss a set of proposed recommendations that were deemed realistic and implementable for necessary improvements to the enabling conditions and operations for the promotion of green financing/banking in the plastics sector.

The draft recommendations were shared with the stakeholders in advance of the consultation. Comments and suggestions were welcomed either in writing before the meeting or during the meeting itself.

2.4 RECOMMENDATIONS

Apart from legislative elements, the recommendations address both financial aspects as well as the broader context of plastic waste. The extensive work carried out by the twin WES N-E-JO-1 experts regarding SUPs complemented the efforts done under this activity.

The recommendations focus on three main components:

1. Institutional issues: The report identifies key stakeholders involved in addressing plastic waste, emphasizing the need for their active participation and collaboration.
2. Communication strategy: It highlights the importance of developing a comprehensive communication strategy to effectively convey the message about reducing SUP usage and the broader fight against plastic pollution.
3. Capacity building: The report emphasizes the need for capacity building initiatives to enhance ownership and management of plastic waste-related issues. This includes building knowledge and skills to effectively address the challenges posed by plastics, particularly SUPs.

Following the consultation meeting in May 2023, the recommendations were slightly adapted to reflect the outcomes of the discussions.

3 MAIN OUTPUTS

All activity documents/deliverables can be found at the dedicated section of the WES website: https://www.wes-med.eu/activities_type/n-e-jo-2-consolidation-activities-on-green-banking-and-support-to-green-investment-opportunities-to-curb-plastic-waste-in-jordan/

The following are considered as the main activity outputs:

- Inception Report
- Report of the May 2023 Consultation Meeting
- Recommendations for stakeholders on green banking and green investment opportunities to curb plastic waste in Jordan

4 CONCLUDING REMARK

The results and recommendations of this activity are aligned with two strategic documents in Jordan: the existing Green Growth National Plan and the forthcoming Green Strategy of the Central Bank. By implementing the recommended measures, it is expected that progress will be made in reducing SUP usage and addressing plastic waste in Jordan.