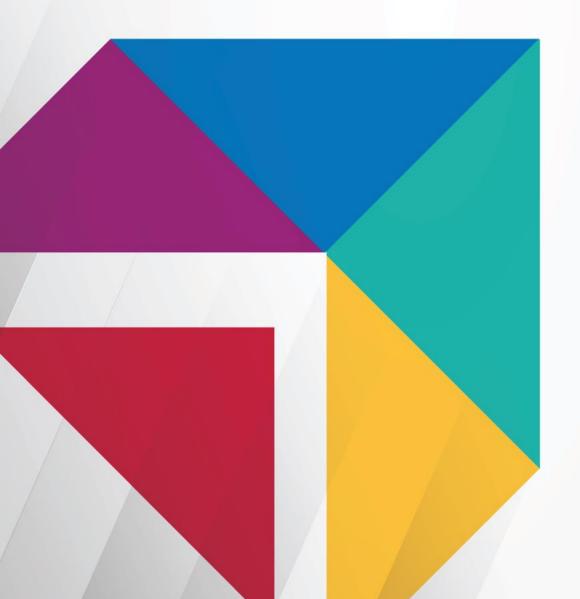


Sustainable Local Development Index 2023

November 2023









The establishment of the Jordan Strategy Forum came to consolidate the real will of the private sector to participate in a constructive dialogue on economic and social matters that concern the Jordanian citizen, and the forum brings together leading and effective institutions and companies from the Jordanian private sector, in addition to opinion makers and those concerned with economic affairs, with the aim of building an alliance that pushes towards sustainable strategies for development, raising awareness in economic and development affairs, and maximizing the private sector's contribution to comprehensive development.

The Forum was registered on 30/8/2012 as a non-profit association bearing the national number 2012031100026, and falls under the jurisdiction of the Ministry of Culture.

Policy Papers: A policy paper is research that focuses on a specific issue or problem and makes clear recommendations to policymakers.

To evaluate the



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1. Introduction:

Almost all countries in the world have adopted the concept of comprehensive economic and social development. Indeed, the global experience shows that this concept has positive implications for development in its widest sense.

The greatest emphasis has become on real economic growth which is reflected in many aspects of life including economic, social, environmental, sectoral, and different groups in societies and geographical regions. Emphasis on enhancing productivity in terms of quantity and quality has also become the norm.

This report, published by the Jordan Strategy Forum (JSF) sheds some light on the results of the "Sustainable Local Development Index" in 2023. The index has been adopted as one of the criteria which are used in determining the ceilings of Jordanian governorates' allocated budgets (capital expenditures) within the general budget. The weight of the Index is 15% of the total ceiling allocated to all governorates.

Principles and criteria for determining the ceilings of								
governorate budgets								
25% equal amount for all governorates.								
5% according to the actual perf	ormance							
of each governorate	(actual							
expenditure / total e	stimated							
allocations).								
70% distributed according	to the							
relative weight of the total ceiling as								
follows:								
Sub-Indicator	Weight							
Governorate Population Size	30%							
Index								
Poverty Index	25%							
Unemployment Index	25%							
Governorates Area Index	5%							
Local Development Index	15%							

The Index is important for several reasons. First, it is a quantitative measurement tool that helps track the achievement of sustainable development at the governorate level. Second, the index helps in the evaluation of the implementation of the initiatives of the Economic Modernization Vision at the level of the Kingdom's governorates, especially in the included initiatives in the pillars of "quality of life and sustainability".

The methodology of this indicator was developed by the Jordan Strategy Forum in cooperation with the relevant ministries, the Department of Statistics, and the United Nations Development Office in Jordan, according to scientific foundations to measure the level of sustainable local development in the Jordanian governorates.





2. Sustainable Local Development Index: The Methodology:

The Sustainable Local Development Index measures the levels of development enjoyed in each of the Jordanian governorates. The index is based on a set of sub-indicators which are grouped under five pillars:

- **1. Economic Activities Pillar:** This pillar assesses work environment, level of concentration of economic activities, and productivity of individuals and establishments.
- **2.** Education Pillar: This pillar measures general education level, school life expectancy, and fair access to education.
- **3. Health Pillar:** This pillar measures the absorptive capacity of the health sector, extent of coverage, and quality.
- **4. Infrastructure Pillar:** This pillar is about the availability of infrastructure services such as water, sewage, roads, public transport facilities, and public safety.
- **5. Social Status Pillar:** This pillar measures the living conditions of individuals and their general level of satisfaction.

The five pillars include a total of 19 sub-indicators. These indicators are collected and used scientifically (Min.-Max. Value Method) and based on equal relative weightings. The overall score of each governorate ranges between 0 (least developed) to 100 (most developed) points. In other words, the index measures the development needs of each governorate.

To construct the index, the official databases of the Department of Statistics, Social Security Corporation, Ministry of Education, Ministry of Health, and the Public Security Directorate are referred to for the relevant indicators.

The values of the local development index are divided into four levels using the score of quartiles for the twelve governorates, In other words, the degree of local development is classified according to four levels:

- 1. Governorates with high local development.
- 2. Governorates with high medium local development.
- 3. Governorates with low medium local development.
- 4. Governorates with low local development.

The following Table shows the sub-indicators of local development within the general index:





Main Themes and Sub-Indicators of Local Development

Relative weight	Sub-indicator	Axis	
	Inflation rate		
	Social Security insured (%)	Eco Act	
%20	Self-employed income to total sources of income (%)	Economic Activities	
	Economic establishments in the governorate to the total number of establishments in the Kingdom (%)	<u>γ</u> . <u>c</u> .	
	Access to public sewage network (%)	=	
	Water supply for domestic and municipal purposes (%)	frast	
%20	Average transportation expenditure to total expenditure (%)	Infrastructure	
	Traffic accidents in governorate to total traffic accidents (%)	Jre .	
	Ratio of Ministry of Education (rented) school buildings to total schools	m	
20%	Illiteracy rate	Education	
2077	Secondary enrollment rate	ition	
	Average number of Students per class		
	Average beds per 10,000 Inhabitants		
20	Percentage of health insured	표	
%20	Under-five mortality rate	Health	
	Treatment (medical) rate per citizen		
	Well-being index - lowest fifth (%)	10	
%20	Early child development Index (%)	Social Status	
	Average expenditure on food to total expenditure (%)	s <u>a</u>	

Main Pillars and Sub-Indicators of the Sustainable Local Development Index





Education

- · Ratio of Ministry of Education (rented) school buildings to total schools
- · Illiteracy rate
- · Secondary enrollment rate
- · Average number of Students per class



- · Well-being index lowest fifth (%)
- Early child development Index (%)
- Average expenditure on food to total expenditure (%)
- · Access to public sewage network (%)
- Water supply for domestic and municipal purposes (%)
- Average transportation expenditure to total expenditure (%)
- Traffic accidents in governorate to total traffic accidents (%)





1. Sustainable Local Development Index: The Results:

The results of the analysis of the index for 2023 show, in general, a clear weakness in the performance of the governorates in the axis of "infrastructure". The score is equal to 32.5 points (out of 100 points). This is a reflection of the weak performance of the governorates in the indicators "water supply for domestic and municipal purposes" and "deterioration incidents to total accidents". The governorates' performance was also very weak in the "economic activities", due to their poor performance in the "percentage of socially insured" index.

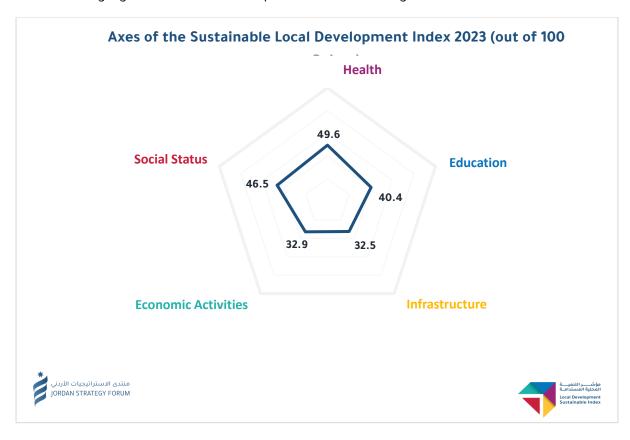
The governorates recorded the best performance in the "Health" axis. The score, which is equal to 49.6 points, is due to the good performance in the "Percentage of Individuals Health Insured". In addition, the governorates' performance was relatively good in "Social Status". The score, which is equal to 46.5 points, is due to their good performance in the "Early Child Development Index".

In "Education" the performance of the governorates was relatively similar to the average of the other axes. While the best performance of the governorates within this axis is in the "Net Enrollment Rate for the Secondary Stage", the weakest performance is in the "Ratio of Ministry of Education Rented School Buildings to Total Schools".





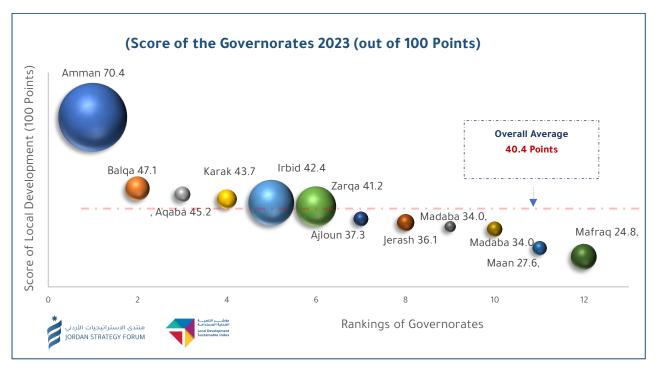
The following figure summarizes the performance of the governorates in the five axes.



At the governorate level, and with a total score of 70.4 points (out of 100 points), the capital ranked highest in terms of the level of development. With a score of 47.1, Balqa Governorate came in 2nd while Mafraq, with a score of 24.8 points, came in last. In addition, it is worth noting that the scores of six of the twelve governorates are below the overall average of the index (40.4).







^{*} The size of the bubble in the figure above indicates the size of the population in each governorate

Based on their respective scores, all governorates are classified as follows:

- **1.** Governorates with high local development: Amman, Balqa, and Aqaba.
- **2.** Governorates with high medium local development: Karak, Irbid, and Zarqa.
- **3.** Governorates with low medium local development: Ajloun, Jerash, and Tafileh.
- **4.** Governorates with low local development: Madaba, Ma'an, and Mafraq.

Differences in Local Development Between the Kingdom's Governorates:

The 2023 results show that there is a large gap in the values of the sustainable local development index between the governorates of the Kingdom. Indeed, the difference between the Capital Balqa is equal to 23.3 points. Even more, the difference between the Capital and Mafraq is equal to 45.6 points.

At the level of the axes, the greatest difference between governorates was in "social status". The highest score was in the Capital (97.4 points) and the lowest was in Tafileh (11.6 points).

The "education" axis **reflects the least differences between all 12 governorates.** Ajloun governorate recorded (the best performance) with 58.7 points, while Mafraq governorate performed the weakest (19.8 points).





The following Table shows the performance of the governorates in the five local development axes:

Governor	Governorates' Performance in the Local Development Index 2023 (out of 100 Points)											
	Health	Education	Infrastructure	Economic Activities	Social Status							
Amman	56.6	49.5	73.5	75.0	97.4							
Irbid	42.9	47.8	36.1	28.5	56.7							
Karak	59.1	47.6	24.8	30.6	56.5							
Balqa	62.3	35.6	31.4	50.3	55.7							
Zarqa	36.2	26.4	47.1	42.8	53.6							
Aqaba	68.7	51.4	38.1	17.7	50.4							
Ajloun	57.5	58.7	8.9	14.2	47.1							
Jerash	39.0	46.2	19.9	32.4	42.8							
Madaba	22.9	30.9	49.1	28.5	38.4							
Mafraq	38.3	19.8	12.3	24.2	29.4							
Maan	47.9	31.6	14.3	26.6	17.9							
Tafileh	64.1	39.8	34.0	23.9	11.6							

Based on the reported results, we conclude that the **Capital** ranks first in three axes ("infrastructure", "economic activities" and "social status"). It is also noted that **Ajloun** is the best performer in "education", and this is due to the high percentage of secondary school enrollment, and the low level of illiteracy among its population. However, Ajloun recorded the weakest performance in infrastructure, and this is mainly due to the weak level of the transportation and public transport network. In "**Health**", **Aqaba** ranked first as a result of its good performance in "Child Mortality Rate under five years".

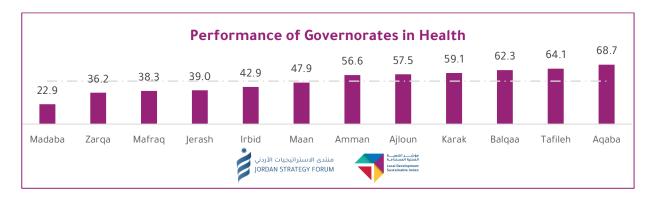
In addition to the above-mentioned observations, we outlie below the performance of the governorates in the sub-indicators of the five axes of the Local Development Index:

- 1. The health pillar, which includes the following sub-indicators:
 - Number of beds per 10,000 population: A high score of this indicator indicates the average capacity of hospitals in each governorate.
 - Insured individuals: A high score indicates the level of health care coverage of individuals.
 - **Treatment rate per citizen**: **A high** score indicates a lack of attention to the overall health of individuals.





• **Under-five mortality rate**: **A high** score indicates the need to provide health care to children.

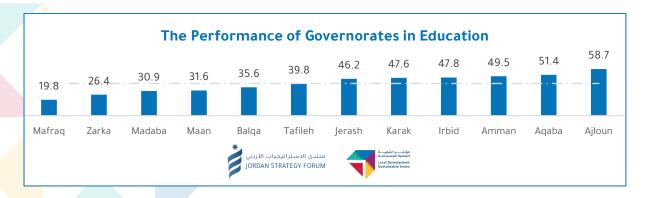


Sub-Indicators of the Health Axis

Amman	Balqaa	Zarqa	Madaba	Irbid	Mafraq	jerash	Ajloun	Karak	Tafileh	Maan	Aqaba	Sub-indicators
19	17	7	9	11	9	6	19	14	20	12	14	Number of beds per 10,000 population (Ministry of Health. 2022)
52.3	69.7	65.2	76.9	77.5	84.3	86.2	91.4	85.3	91.1	82.6	/8./	Individuals who are insured (%) (Department of Statistics, 2018)
16	11	18	21	18	23	13	21	13	17	18	10	Treatment rate per citizen (Ministry of Health, 2022)
0.8	1.3	0.9	2.4	1.2	1.2	2	1.5	1.4	1.5	1.2	1.2	Under-five mortality rate (Department of Statistics, 2018)

2. The education pillar includes the following sub-indicators:

- Percentage of Ministry of Education School Buildings Rented: A high score indicates increased pressure on the finances of the education sector.
- Illiteracy rate: A high score indicates a weak public interest in education.
- Net enrollment rate at secondary level: A high score indicates the continuity of individuals in the educational path.
- **Student rate per section**: **A high** score indicates the level of increased pressure in the number of students in the classroom.





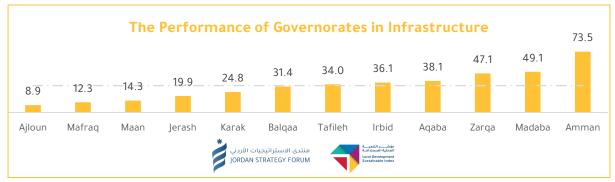


Sub-Indicators of the Education Axis

Amman	Balqaa	Zarqa	Madaba	Irbid	Mafraq	jarash	Ajloun	Karak	Tafileh	Maans	Aqaba	Sub-indicators
18.8	13.6	15.3	23.7	19.8	23.0	21.0	24.6	19.7	25.8	20.6	6.2	Ministry of Education School Buildings Leased to Total Schools (%)
4.2	6.9	6.1	6.4	4.1	7.9	5.3	4.6	5.8	7.2	8.9	5.5	(Ministry of Education, 2022) Illiteracy rate (%) (Department of Statistics, 2021)
77.0	70.4	65.2	64.2	69.7	52.5	72.6	80.4	72.7	74.2	57.6	60.3	Secondary Net Enrollment Rate (%) (Department of Statistics, 2018)
32.7	28.4	34.0	25.0	29.4	22.6	24.5	23.7	22.7	23.0	19.1	28.3	Student average per division (Ministry of Education, 2022)

3. The infrastructure pillar, which includes the following sub-indicators:

- Access to the public sanitation network: A low score indicates poor access to sanitation services.
- Water supply for domestic purposes: A low in this score indicates poor access to the water network.
- Transport expenditure to total spending: A low in this indicator indicates the availability of public transport services.
- Degradation accidents to total accidents: A low in this indicator indicates the development of public roads.



Sub-Indicators of the Infrastructure Axis

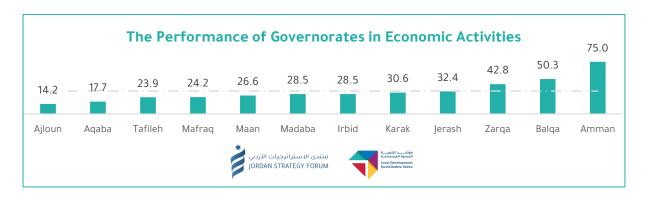
	Balqaa	Zarqa	Madaba	Irbid		jarash		Karak	Tafileh	Maan		Sub-indicators
79 <mark>.5</mark>	56.1	82.8	47.4	45.0	13.1	44.0	33.1	15.7	39.0	34.7	87.4	Access to the public sewage network (%) (Department of Statistics, 2021)
41.9	8.7	12.6	2.2	12.0	6.8	2.0	1.4	4.7	1.6	3.1	2.9	Water supply for household and municipal symptoms (%) (Department of Statistics, 2021)
16.4	19.4	16.1	16.3	16.5	18.1	18.7	21.0	14.2	13.2	18.4	16.9	Average transportation expenditure to total expenditure (%) (Department of Statistics, 2018)
4.0	5.7	9.3	2.5	6.6	12.5	9.4	12.4	13.0	19.2	20.2	13.2	Deterioration to total accidents in each governorate (%) (Public Security Directorate, 2022)





4. The economic activities pillar, which includes:

- **Inflation rate:** A high score refers to the rate of increase in price levels.
- **Social Security Insurers: A high** score indicates a high percentage of employment in the organized sector within the governorate.
- The ratio of self-employed income to total income: A high score indicates the level of economic activity.
- Economic establishments to total establishments: A high score indicates the percentage of concentration of economic activity.



Sub-Indicators of the Axis of Economic Activities

Amman	Balqaa	Zarqa	Madaba	Irbid	Mafraq	jerash	Ajloun	Karak	Tafileh	Maan	Aqaba	Sub-indicators
4.7	3.3	3.6	3.7	4.0	3.7	3.9	3.7	3.5	3.5	3.5	4.0	Inflation rate (%) (Department of Statistics, 2022)
75.3	1.9	4.7	0.5	6.0	1.0	0.4	0.2	1.0	0.3	0.6	1.5	Distribution of Social Security Insured by Governorate (%) ² (Social Security Corporation, 2021)
10.1	9.6	9.0	7.1	7.0	6.0	9.1	3.9	6.7	5.1	5.4	5.4	Self-employed access to average gross income (%) (Department of Statistics, 2018)
60.5	5.5	8.4	2.2	10.1	2.8	1.6	1.2	2.5	0.9	1.7	2.5	Ratio of economic establishments in the governorate to the total establishments of the Kingdom (%) (Social Security Corporation, 2021)

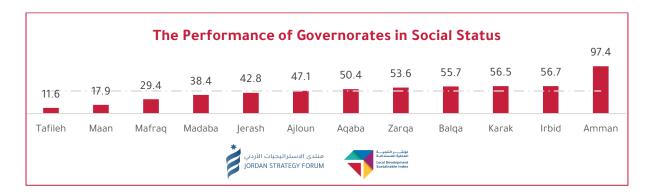
5. The social status axis, which includes:

- **Well-being Index (Lowest Thursday): A high** score indicates that households are concentrated within the lowest level of well-being.
- Ratio of food expenditure to total expenditure: A high score indicates an increase in poverty levels.
- Child Early Development Index: A high score indicates the level of child development within a range of developmental pathways.

² The remaining 6.5% represents voluntary submission and free inclusion.







Sub-Indicators of the Axis of Social Status

Amman	Balqaa	Zarqa	Madaba	Irbid	Mafraql	jerash	Ajloun	Karak	Tafileh	Maan	Aqaba	Sub-indicators
11.2	21.4	21.4	31.4	23.3	49.0	29.8	22.2	18.2	25.4	36.1	19.5	Well-being Index (Thursday Lowest) (Department of Statistics, 2018)
28.3	33.1	37.3	35.3	36.5	37.2	39.8	36.1	40.8	45.7	36.1	33.2	Average food expenditure to total expenditure (%) (Department of Statistics, 2018)
73.0	67.5	71.6	63.8	73.9	63.9	71.5	66.4	74.7	54.2	52.6	62.6	Child Early Development Index (Department of Statistics, 2018)

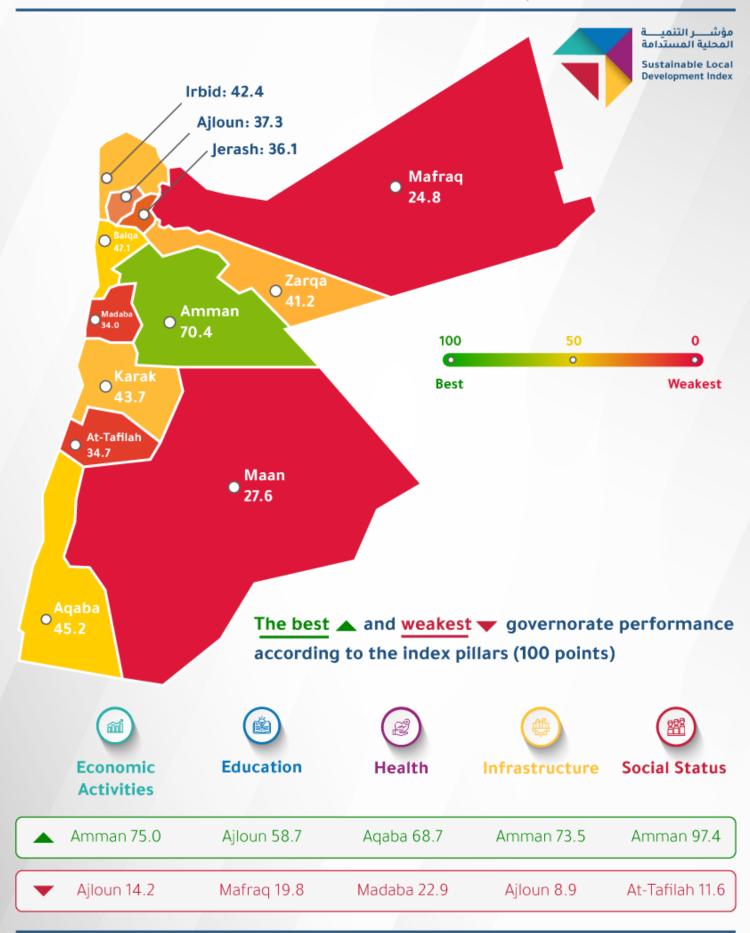
In conclusion, the Jordan Strategy Forum recommends using the Sustainable Local Development Index to track the performance of governorates annually within the sub-indicators and directing development programs according to their priorities and needs. In addition, the index can be used in determining the capital ceilings for each governorate within the general budget.

In light of the results of the above analysis, it is necessary to work on reducing the gaps between the governorates of the Kingdom in their respective levels of local development, This can be done by supporting decentralization in the management of their affairs, increasing their financial allocations within the general budget, and paying great attention to the development of infrastructure in general. Indeed, this indicator (infrastructure) has the lowest score within all axes of the index. In particular, focus on supporting and developing the public transport and transportation system within the governorate and between the governorates of the Kingdom should be given priority, In turn, this should contribute to reducing the concentration of investments and job opportunities within a few governorates, and hence, reducing migration to them.

It is also necessary to expand the coverage of social protection for economic activities in the governorates, especially in the commercial and agricultural sectors. This would increase the scores of the economic activities axis, and thus the sustainable local development index.

Governorates' Performance in the Sustainable Local Development Index 2023





Best and weakest governorate performance According to Sub-Indicators and Pillars of The Sustainable Local Development Index 2023





مؤشــــر التنميــــة المحلية المستدامة Sustainable Local **Development Index**

Sub-indicators Pillars Best Weakest



Average beds per 10,000 Inhabitants	At-Tafilah	Jerash
Percentage of health insured	Ajloun	Amman
Under-five mortality rate	Aqaba	Mafraq
Treatment (medical) rate per citizen	Amman	Madaba



Ratio of Ministry of Education (rented) school buildings to total schools	Aqaba	At-Tafilah
Illiteracy rate	Irbid	Maan
Secondary enrollment rate	Ajloun	Mafraq
Average number of Students per class	Maan	Zarqa



Access to public sewage network (%)	Aqaba	Mafraq
Water supply for domestic and municipal purposes (%)	Amman	Ajloun
Average transportation expenditure to total expenditure (%)	At-Tafilah	Ajloun
Traffic accidents in governorate to total traffic accidents (%)	Madaba	Maan



Inflation rate	Balqa	Amman
Social Security insured (%)	Amman	Ajloun
Self-employed income to total sources of income (%)	Amman	Ajloun
Economic establishments in the governorate to the total number of establishments in the Kingdom (%)	Amman	At-Tafilah



Early child development Index (%) Awerage expenditure on food to total expenditure (%) Mafraq Maan	Well-being index - lowest fifth (%)	Amman	Mafraq
Average expenditure on food to total expenditure (%) Mafraq Maan	Early child development Index (%)	Amman	At-Tafilah
	Average expenditure on food to total expenditure (%)	Mafraq	Maan



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