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Jordan's Civil Society In 2024: A Future Outlook

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Phenix for Sustainable Development

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Challenges of the Legislative Environment for Civil Society Work

The current laws and regulations related to the work of civil society continue to present numerous challenges that hinder its operations and flexibility. Among the most notable of these challenges are the restrictions on the registration of associations, excessive oversight of their financial and administrative activities, as well as the complex conditions for obtaining both domestic and foreign funding. These restrictions pose significant barriers to achieving the goals of development organizations and limit their independence and adaptability in the face of changing challenges.

Pre-Approval Requirements for Association Registration:

The Associations Law grants the Board of Directors of the Associations Registry the authority to approve or reject the registration of associations, allowing it to make decisions without providing justifications. This practice hinders many NGOs from obtaining legal recognition. The absence of clear criteria for rejections makes it difficult to appeal decisions and affect the independence of organizations.

It is crucial to transition to a notification-based registration system, where associations can register by submitting a formal notice to the relevant government authorities. A mechanism should be established to review objections through the judiciary to ensure transparency and fairness.

Lack of a Unified Oversight Framework for Associations:

The assignment of multiple government entities to oversee associations leads to duplication of procedures and overlap of authority, complicating

the monitoring of activities and hindering effective regulation. Relevant government bodies should develop a unified oversight framework to coordinate their efforts. An independent body could be established to regulate and supervise associations, streamlining the implementation of consistent and clear procedures.

Pre-Approval Oversight of Association Activities:

The government imposes pre-approval oversight on associations, including the requirement to submit annual work plans and audited financial reports. This imposes significant restrictions on the independence of associations and subjects them to excessive bureaucracy. Post-activity oversight enables the relevant authorities to periodically review submitted annual reports from associations, eliminating the need for prior approval of activities. This approach would ensure that associations adhere to governance and transparency standards.

Ban on Participation in Political Activities:

The Associations Law imposes restrictions on associations' participation in political activities, limiting their ability to contribute to the development of democratic approaches and engage in political dialogue. It is essential to reconsider the specific political goals that are prohibited, allowing associations to engage in activities that support the promotion of democracy and human rights.

Broad Powers of the Minister:

The law grants the Minister of Social Development broad powers to dissolve associations or suspend their activities for reasons that are not clearly defined. This threatens the continuity of NGOs and restricts their freedom to carry out their activities. The judiciary, not the concerned minister, should hold this power; formal judicial rulings should determine the dissolution of associations, thereby protecting their rights and supporting their independence.

Conditions for Obtaining Local and Foreign Funding:

The Associations Law imposes stringent conditions for obtaining local and foreign funding, including prior government approvals. This obstructs associations' ability to access the financial resources necessary for developing their projects.

To establish a transparent and efficient mechanism for approving both local and foreign funding, it should require periodic reports to government authorities on the use of funds, rather than requiring initial approvals. This mechanism should focus on transparency and post-activity oversight, allowing associations to achieve financial independence and ease their access to resources.

Bank Restrictions on Financial Operations:

Many civil society organizations (associations and non-profit companies) face numerous restrictions in opening bank accounts, including the refusal to open accounts, the inability to open sub-accounts, and delays in receiving financial transfers, among other limitations. Standardizing bank procedures for associations and non-profits is essential; this ensures consistent decisions, rather than relying on individual bank compliance departments' risk assessments.

Lack of Supportive Provisions in the Law:

The Associations Law lacks provisions that adequately support associations, such as tax or customs exemptions, or protections for workers in associations. Additionally, the penalties imposed are disproportionate to the violations. Supportive provisions should be included in the law to provide tax and customs exemptions for associations, as well as to establish a mechanism for categorizing violations and gradating penalties to ensure that sanctions are proportionate to the nature of the offense, while also ensuring the protection of association workers.

Non-Profit Companies Regulation:

The regulation of non-profit companies requires Cabinet approval to obtain foreign funding, limiting these companies' ability to secure the financial resources needed to implement their development projects. Foreign funding approval should follow a post-review mechanism that ensures transparency and facilitates access to financial resources while ensuring that the funding aligns with development goals, with no prior approval.

The Planning and International Cooperation Law:

The Planning and International Cooperation Law expands the government's authority to monitor foreign funding and development projects, which

increases bureaucracy and hinders development efforts. The approval process for foreign funding should be reassessed to make it more flexible, with transparent criteria for approval or rejection, along with a defined time frame for review to reduce delays.

New Regulations on Foreign Funding:

The new regulations requiring foreign branches of associations to obtain Cabinet approval before accepting any funding, grants, aid, donations, or gifts from non-Jordanian sources exacerbate administrative burdens and affect the independence of associations. It is essential to develop a post-activity mechanism that allows associations to submit periodic financial reports, facilitating timely project implementation and reducing bureaucratic burdens.

2

Decline in Foreign Funding Opportunities

Many civil society organizations experienced a decline in funding opportunities in 2024 because of the conflicting stances of several donor countries and their affiliated institutions on respecting human rights and international law in Palestine, particularly among major Western countries. This has led to a reduced capacity for civil society organizations to meet the needs of the local community and sustain their development projects.

It is essential for civil society organizations to diversify their funding sources to reduce reliance on foreign funding. They can explore local sources such as individual donations, as well as develop co-funding programs within the private sector. Additionally, civil society can seek funding opportunities through strategic partnerships with local and international financial institutions that support sustainable development and human rights.

3

Lack of Trust in Civil Society Organizations

Civil society organizations in Jordan face significant challenges regarding the legitimacy of foreign funding, as such funding sometimes diminishes trust in their independence due to recurring accusations of ties to external agendas. This lack of trust stems from the absence of coordination and transparency between the government and civil society, making it difficult for both citizens and the government to recognize the vital role these organizations play in promoting development and human rights.

To enhance trust in civil society organizations, the government should establish mechanisms to facilitate collaboration with these organizations and ensure the sustainability of their work effectively. This can be achieved by promoting transparency, good governance, and implementing supportive policies for civil society's activities.

4

Imbalanced Relationship Between Civil Society Organizations and Donors:

The relationship between civil society organizations in Jordan and donor entities reveals a clear lack of genuine partnership, as the significant disparity in resources leads to financial dependence on foreign funding sources. This can result in the loss of independence for civil society organizations and their ability to make decisions autonomously. Additionally, the local context, which does not fully support civil society work, exacerbates this imbalance.

It is essential to develop a flexible mechanism for classifying donors, allowing civil society organizations to engage with them in a way that promotes secure and unconditional funding. This would support the independence of organizations, mitigate the risks of dependency, and lay the foundation for a sustainable and equitable partnership.

5

Weak Alignment of Priorities

There are no clear and shared priorities among the government, donors, and civil society organizations in Jordan, resulting in a significant gap in coordination among the involved parties. This leads to the depletion of resources and their allocation to projects that may not meet the actual needs of the local community. The lack of joint participation in defining priorities reflects a challenge in achieving effective and sustainable development. Although the government sets national policies and priorities based on local assessments, the government often excludes civil society organizations from these processes, hindering their meaningful impact on the development trajectory. Additionally, donors adopt their own priorities, which may not always align with the actual needs on the ground.

It is essential to involve civil society organizations in the process of setting national priorities. This requires creating a consultative and transparent mechanism that brings together the government, donors, and civil society organizations to jointly define priorities and needs. This can be achieved by establishing a tripartite committee comprising representatives from all parties, which would develop action strategies based on a shared assessment of local needs with unified priorities.

6

Weak Alternatives to Foreign Funding:

Local funding remains limited for civil society organizations in Jordan because of unclear government policies and the lack of effective incentives for the private sector. Additionally, civil society faces challenges in securing core funding that enables organizations to maintain operations and provide the necessary human resources for long-term planning. The absence of sustainable strategic partnerships in the private sector further hinders civil society's ability to achieve long-term impact in social and environmental fields. Creating innovative investment mechanisms, such as impact investing, can enhance collaboration between civil society organizations and the private sector. However, it is essential to provide incentives for the private sector through tax reductions and promotional benefits to encourage their contribution to funding development and community projects.

The Jordanian government should work to improve the local funding environment by establishing transparent policies to support civil society organizations. This should include the creation of a dedicated support fund for associations that provides flexible financing to cover the core operational expenses of organizations, with obvious conditions that ensure sustainability and meet local community needs. It is also important to encourage crowdfunding systems through local and international platforms to support civil society organizations. This type of funding enables the local community to become part of the process of supporting development projects, contributing to financial independence, and fostering community participation in development.

7

Limited Focus on Localization:

Most local initiatives in Jordan remain dependent on external funding conditions, legal constraints, and complex practices that limit civil society's ability to lead and design projects based on the actual needs of the local community. It is crucial to advocate for localization by activating sustainable strategic partnerships at local, regional, and global levels and adopting shared positions. This requires developing a supportive legal environment, strengthening the institutional capacity of local civil society, and supporting integration into local and regional networks. It is essential to enhance the involvement of civil society organizations in local and regional networks and alliances that improve coordination and collaboration among various local and international actors. These networks should serve as platforms for knowledge and resource exchange, as well as for developing shared local response strategies that address the actual needs of the community.

General Context

The year 2024 presented exceptional challenges for civil society in Jordan, as economic, political, and social crises deepened within a complex legislative environment. Increasing financial difficulties and ongoing regional tensions compounded these challenges, alongside legal and administrative restrictions that hindered the freedom of civil society.



These included regulations that limit access to both foreign and local funding, restricting the independence of associations and their ability to operate with flexibility.

This report outlines the key challenges faced by civil society in 2024 and examines the impact of these challenges on the sector's ability to achieve its development goals. The report also offers recommendations and alternative solutions to address these challenges.

Methodology for Preparing the Report

This report is based on a thorough follow-up of the work of civil society organizations and a review of the relevant Jordanian legislation governing civil society activities, as well as various studies, reports, and articles related to the work of civil society organizations in Jordan. Additionally, the report draws on the outcomes of a series of interviews and focus group discussions with diverse groups of civil society organizations across different governorates of the Kingdom throughout 2024.

First: Challenges of the Legislative Environment for Civil Society Work

The legislative environment governing civil society work in Jordan is one of the most significant factors affecting the ability of organizations to achieve their development goals. The laws and regulations that govern the operation of associations and non-profit organizations in the Kingdom present numerous challenges, ranging from restrictions on the registration of associations to those related to securing both local and foreign funding. Although these regulations include some principles aimed at organizing the work of these organizations, they impose many administrative constraints that limit their independence and reduce their flexibility in responding to community needs.

Associations Law

The Associations Law No. 51 of 2008 ¹ and its amendments are one of the primary laws regulating the work of associations in Jordan. However, the law lacks a set of principles that would help enhance the independence of civil society organizations, and it obstructs their operations. It also directly affects their access to both local and foreign funding opportunities. Some of the most notable gaps in the law include:

1

Pre-Approval for Association Registration

The law grants the Board of the Associations Register the authority to approve or reject association registrations and requires no justification for rejections. Although the applicant has the right to appeal the decision before the court, the absence of a specific reason for rejection makes it difficult to challenge the decision if the establishment of an association is rejected. This means officials base rejections on unsystematic criteria, leaving the decision to their discretion and thus denying legal recognition to many civil society organizations. It is essential to shift towards a notification-based registration principle (deposit), where, in the event of an objection by the Associations Register or any other official body, they can resort to the judiciary.

2

Lack of a Unified Reference for Association Operations

The Board of the Associations Register is tasked with designating the relevant ministry to oversee the association and follow up on its affairs according to the Associations Law. This leads to the absence of a unified reference for supervising the work of associations. For example, certain provisions of the law require notifying multiple entities simultaneously if an association wishes to open additional branches in the Kingdom or hold a general assembly meeting. Therefore, it is necessary to adopt a unified reference for associations to avoid duplication in task monitoring.

3

Pre-Approval Oversight on Association Activities

The Associations Law requires the administrative bodies of associations to submit their annual work plan and annual report to the relevant ministry, which must include the association's achievements, activities, sources of revenue, expenditure details, and an audited annual budget by a certified accountant. This government oversight is excessive and imposes additional constraints on associations, directly affecting their financial independence. It would be more appropriate to rely on post-activity evaluations based on the annual reports submitted by associations to the relevant ministry. This is especially important since the Central Bank applies the highest financial control standards to combat money laundering, terrorist financing, and illegal activities across all institutions, including associations.

4

Prohibition on Participation in Political Activities

The law prohibits associations from having political objectives as part of their goals and from engaging in political activities that fall within the scope of political party objectives. The vagueness of the law regarding prohibited political goals for associations limits their ability to participate in developing democratic approaches and contribute to political dialogue.

5

Broad Powers of the Relevant Minister

The Associations Law grants the relevant minister the authority to dissolve associations for any reason, including when an association has not commenced its activities or has ceased its operations for a year, automatically deeming it dissolved. This means authorities can dissolve an association if it completes its projects or fails to operate due to lack of funding. Ideally, this authority should be granted to the judiciary.

The law also mandates that the relevant minister and the registrar be notified of the time, place, and agenda of the association's general meeting at least two weeks before the meeting. Failure to do so renders the meeting legally invalid. This is contrary to the principle of freedom for associations to operate and limits their independence in carrying out their activities.

6

Conditions for Obtaining Local and Foreign Funding

The Associations Law requires the approval of the Ministry of Social Development for obtaining local funding. Additionally, the law prohibits associations from collecting donations more than twice a year unless the documents governing the association include more than one activity. It also mandates the Prime Minister's office must approve that foreign funding. These requirements are inconsistent with the principle of the freedom and independence of associations, directly controlling their ability to access financial resources and attract funding opportunities.

Experience over the past years has shown delays in obtaining government approvals for foreign funding due to complex bureaucratic procedures. Moreover, funding requests submitted by civil society organizations are often rejected without clear grounds for rejection, granting the Cabinet wide discretionary authority to reject requests. This makes it difficult for associations to challenge the decision based on legal criteria and before a competent judicial court. Therefore, this action deprives these associations of the opportunity to secure their resources, directly threatening their continued operation.

7

Bank Restrictions on Financial Operations

Many civil society organizations (associations and non-profit companies) face numerous restrictions in opening bank accounts, such as banks refusing to open accounts, not allowing the opening of sub-accounts, delaying the receipt of money transfers, and other related constraints.

8

Absence of Supporting Provisions in the Law

The Associations Law lacks provisions that provide the financial facilitation needed by associations, such as customs and tax exemptions. It also lacks any provisions that protect associations and their employees or criminalize actions or statements that damage their reputation. As for the penalties imposed by the law on associations, there should be a principle of proportionality between the violations and the penalties. Additionally, there should be a graduated approach to penalties, following the use of all available legal procedures.

Non-Profit Companies Regulations

The Non-Profit Companies System No. 60 of 2007, issued under the Companies Law No. (22) of 1997, imposes restrictions similar to those in the Associations Law, particularly regarding access to foreign funding. Non-profit companies, which are a key component of civil society organizations in Jordan, are required to obtain the approval of the Cabinet for foreign funding. This approval requirement also applies to donations of any kind, whether in cash or in-kind, made by non-profit companies to any entity. These conditions limit the scope of their operations and restrict their ability to secure necessary resources to fund their various activities and cover their expenses, as long as the purpose is not for the private financial benefit of these companies.

The system also obliges non-profit companies to provide any information requested by the auditor. It is essential to adopt a post-activity oversight approach for these companies, based on their administrative and financial reports at the end of each year. This approach should ensure the implementation of governance, transparency, and disclosure standards, without requiring unspecified additional information at the discretion of the companies' registrar. Similar to the Associations Law, the Non-Profit Companies System empowers the minister to issue warnings and refer companies for liquidation for any reason. However, such authority should fall under the jurisdiction of the judiciary rather than the relevant minister.



The Planning and International Cooperation Law

The Planning and International Cooperation Law of 2024 ² established the Ministry of Planning as the government reference for coordinating and monitoring foreign funding directed towards non-profit associations, organizations, and cooperative federations. The law reinforced previous restrictions related to foreign funding by requiring prior approvals from the Prime Minister's office for any financial or in-kind grants with a developmental nature that civil society organizations receive. These restrictions have expanded as follows:

1

The Philosophy of the Law in Dealing with Civil Society

The Planning and International Cooperation Law does not differentiate between civil society organizations and government institutions or ministries, grouping them all together. It prohibits any ministry, public or private institution, association, or non-profit organization from accepting any international financial, technical, or in-kind assistance without prior approval from the Cabinet, based on the minister's recommendation. This approach is incompatible with the principle of civil society independence and conflates the nature of the developmental and human rights efforts undertaken by these organizations, which typically operate within a flexible and decentralized structure, with the approach adopted by governmental entities and ministries, which often rely on hierarchical and bureaucratic organizational structures. Furthermore, civil society organizations are typically closer to individuals, working with them directly, which allows them to better understand their needs and provide appropriate support, serving as intermediaries between citizens and decision-makers. In contrast, governmental entities engage with citizens on a broader level, primarily through the provision of public services and the implementation of policies.

2

Absence of Clear Criteria for Foreign Funding Approvals

The Planning and International Cooperation Law does not provide any specific criteria or regulations for the approval or rejection of foreign funding requests, despite numerous complaints regarding the rejection of funding applications without logical reasons. Furthermore, the law does not establish clear timelines for reviewing foreign funding requests. Linking the approval of foreign funding to the Cabinet's approval, based on the recommendation of the Minister of Planning, serves as an indicator of further delays for civil society organizations, directly depriving them of their right to access financial resources.

3

Conditions for Approvals of Development Projects

The Planning Law introduced a new requirement not found in previous legislations, mandating the approval of the Cabinet, based on the recommendation of the Minister, for any development project carried out by ministries, public or private institutions, or non-profit organizations. This provision is difficult to implement, as it demands significant resources from the ministry to oversee it, reflecting an unprecedented level of bureaucracy. This poses a threat to the developmental efforts that civil society organizations have been striving to advance for years.

4

Expansion of the Cabinet's Oversight Powers

The law requires the Cabinet's approval for financial, in-kind, and technical assistance, significantly expanding the Cabinet's supervisory powers over civil society activities, particularly regarding technical assistance. This provision is vague and lacks clear parameters. Moreover, the law does not explicitly require the adoption of consultative mechanisms for setting national priorities, allowing the current approach to persist, which excludes civil society from the planning and prioritization processes. This provision further increases the weight given to the Ministry of Planning.

New Guidelines on Foreign Funding Approval Mechanism

The Central Bank issued a circular to banks and electronic payment and transfer companies operating in the Kingdom, outlining the mechanism for obtaining approval for foreign funding provided to non-profit associations, non-profit companies, and cooperative unions. The circular included several key points, most notably:

1. Foreign branches of associations are required not to accept any foreign funding, grants, donations, or gifts without prior approval from the Cabinet under the Planning and International Cooperation Law and the Associations Law.
2. Donations via foreign cards executed through point-of-sale devices or electronic payment gateways are also subject to cabinet approval for each funding or donation transaction.
3. The process for notification of funding involves the relevant minister submitting a request to the Cabinet for foreign funding, which must comply with all administrative, technical, and financial requirements.³

This regulation conflicts with a legal opinion issued by the Legislative and Opinion Bureau⁴, which states that foreign branches of associations in Jordan can receive funding directly from the parent organization without prior approval, as long as the funding is used to achieve the association's licensed goals. This legal and regulatory contradiction confuses stakeholders and may cause legal disputes or increase ambiguity regarding regulation application.

The expected consequences of these new instructions include delays in receiving funding, which will impede the ability of associations to execute their projects in a timely manner, affecting their operational efficiency. Additionally, the increased bureaucratic burdens, because of the need for multiple government entities to intervene, consume additional time and effort, further escalating the burden on associations. Moreover, these restrictions may affect the independence of associations, as they limit their ability to make flexible financial decisions that align with their needs and respond to emergencies.

It can be argued that the Jordanian government is aiming to enhance transparency in the flow of foreign funds to ensure alignment with national laws and objectives and to prevent misuse for undesirable political or social purposes. However, these guidelines and new procedures could have negative effects on organizations, such as funding delays, increased administrative burdens, and reduced autonomy.

Let's consider alternative, more flexible solutions, such as replacing prior approval with a post-approval mechanism allowing organizations to submit relevant financial reports on their funded projects and activities. This approach would help maintain the effectiveness of international organizations' work and ensure the continued contribution of civil society to humanitarian assistance and sustainable development in Jordan.

Second: Decline in Foreign Funding Opportunities

As is the case globally, civil society activities in Jordan rely heavily on grants and donations provided by donors, whether independent funds or local and international government agencies. Given the limited sources of local funding, which are primarily focused on charity-based activities, civil society organizations have turned to foreign funding as a key resource for implementing their development programs and projects.

In 2024, civil society organizations in Jordan experienced a significant reduction in foreign funding. This decline was largely because of the contradictory approaches of many donors—particularly those affiliated with influential Western governments—whose declared objectives to promote development in its various forms and uphold human rights and the rule of law clashed with their support for human rights violations and policies that undermine development and international law, especially in Israel's ongoing occupation of Palestine and its repercussions.⁵

This reduction in foreign funding has limited the ability of civil society organizations to address the needs of the local community, especially in the absence of local

funding alternatives. It has negatively affected the broader support for humanitarian and development programs offered by these donors, making it increasingly difficult for civil society organizations to maintain sustainable development efforts. The impact has been detrimental to the credibility of donor countries, undermining years of ideological investment in promoting development and human rights in the Middle East.

Third: Legitimacy of Foreign Funding: Between Acceptance and Accusation

In 2024, the debate about the legitimacy of foreign funding for civil society organizations resurfaced. Funding is essential for these organizations to carry out their activities and advocate for human rights, under the International Bill of Human Rights and all related international instruments that ensure civil society's right to access the necessary resources for their sustainability and effectiveness.

However, foreign funding presents challenges related to the independence of organizations and their ability to resist political pressures. Concerns about the legitimacy of this funding arise when foreign donors express contradictory stances to human rights issues, leading to doubts about their true intentions and sincerity in advocating for human rights. This has once again led to accusations that civil society organizations are serving the agendas of foreign countries that provide funding. ⁶

Such accusations against civil society organizations are not new; both the government and the local community fail to genuinely believe in the role of these institutions. Trust in these organizations is still weak, and there are many practices that reflect skepticism about the role of civil society, such as delays in their registration or hindrances to their activities. This is despite the fact that civil society organizations, by law, submit annual reports to state institutions detailing their activities, financial expenditures, and implemented projects. Any misconduct or corruption by individuals should be viewed as personal acts and not generalized to the entire civil society sector. ⁷

Fourth: Imbalance and Conditionality of Funding

Inequality, where the disparity in resources leads to financial dependency on foreign donors marks the relationship between civil society organizations and foreign funding bodies. This can result in local organizations losing their independence and ability to make decisions autonomously.

It can be argued that the local context, which is not supportive of civil society, exacerbates this imbalance. Laws, regulations, and policies that govern their work affect civil society organizations in Jordan. Some of these laws are complex and impose unjustified restrictions, particularly regarding the approval process for foreign funding. ⁸

Additionally, the international legal and political framework influences the flow of foreign funding to civil society organizations in Jordan. Certain countries and donors impose restrictions on international funding for various reasons, including security concerns, political considerations, shifting priorities because of crises, and international agendas. These factors can affect the amount and type of funding available to civil society organizations in Jordan, either increasing or decreasing it, or redistributing it according to new priorities. ⁹

Many organizations have reported that they are subject to direct conditions from donors, while others have mentioned receiving "indirect hints" representing an unwritten authority to withdraw funding if projects do not align with the vision of the funding organizations. This highlights the need for secure, unconditional funding to strengthen the independence of local organizations and their ability to pursue projects that meet the genuine needs of their communities.

Fifth: Weak Alignment of Work Priorities

The lack of clarity and alignment of priorities between the government, foreign donors, and civil society organizations reveals discrepancies in focus and the absence of shared strategies. This challenge stems from the lack of effective communication among all involved

parties, which leads to a lack of mutual understanding and misalignment in setting priorities. This results in inefficient resource allocation, with resources directed toward projects that may not address the actual needs of the local community.

Jordan typically establishes national needs and priorities through planning and consultation processes, beginning with an assessment of local needs and challenges in sectors such as education, health, sustainable development, unemployment, and poverty. Based on this, national strategies and policies are developed, followed by the allocation of budgets and financial resources for their implementation. The problem, however, is that civil society is not part of this planning and consultation process.

On the other hand, the priorities of foreign donors are usually shaped by their own goals and vision, which they seek to achieve through the projects they fund. These donors may adopt international strategic approaches related to specific issues such as sustainable development and human rights, and may be interested in supporting projects in specific geographic areas based on the needs and circumstances of those areas. In cases of sudden crises, such as natural disasters or political conflicts, donor priorities may shift to address the urgent needs of the local community.

Undoubtedly, national priorities and needs play a crucial role in guiding the strategies and activities of civil society organizations within an interconnected relationship with donors who present their priorities when providing foreign funding to both the government and civil society organizations. The ideal scenario is for civil society to be part of the process of setting and developing priorities during consultations, so that it is not merely a tool for implementation, but an essential player in the comprehensive development process.¹⁰

The unhealthy relationship with the Jordanian state, because of the negative perception of civil society organizations, and the imposition of governmental institutional models on these organizations, undermines their core purpose and the diversity of their objectives in favor of serving individual community members. This necessitates renegotiating

with donors and the government and creating joint mechanisms to implement urgent priorities without compromising the independence of civil society organizations.¹¹ A tripartite body comprising donors, the government, and civil society institutions should be formed, through which we can define Jordan's priorities and the problems that need to be addressed, ensuring that the decision-making process is not solely in the hands of the government.

Sixth: Weak Alternatives to Foreign Funding

Local and foreign sources comprise the funding for civil society organizations. Local funding refers to the financial resources that civil society organizations obtain from their ongoing activities, such as membership fees, donations, and returns from investments. It also includes donations from individuals, private sector companies, and government funding from ministries and national funds.

The sustainability of civil society organizations heavily relies on diversifying their funding sources. However, experience confirms that externally funded development projects, regardless of their length, remain unsustainable because the broader, ever-changing international context shapes them. While some civil society organizations view foreign funding as an opportunity to expand their activities and achieve their goals, others believe it may lead to changes in the organization's objectives, aligning them with the interests of donors rather than local needs.¹²

Local funding enables civil society organizations to achieve independence and develop their programs and activities based on the needs of the local community. However, not all local funding sources are equal, and several factors influence civil society organizations' access to one or more of these sources. One key factor is personal relationships with certain individuals in government bodies or private sector companies.¹³

Government funding policies for local financing are ambiguous and do not reflect best practices whether it is related to the association support fund or conditions

for obtaining government support for projects funded from abroad. As a result, civil society organizations have turned to foreign funding from external sources, such as international financial institutions, global organizations, international civil society organizations, and institutions related to governments and international academic and research institutions.

Funding from private sector companies in Jordan is often directed toward the Zakat Fund and other government bodies because of tax benefits. Donations to the Zakat Fund can result in tax deductions of up to 100% of the donated amount, while tax incentives for donations to civil society organizations are less attractive to the private sector.¹⁴ The issue lies because the private sector tends to fund organizations that align with its own interests, meaning that the funding goes toward directions that may not serve developmental or human rights causes.

As for core funding, civil society in Jordan suffers from a lack of funding that covers the operational costs of organizations. Nonprofit organizations often rely on funding designated for specific projects and programs, which creates challenges in maintaining operational continuity and ensuring the availability of the necessary human resources and expertise. This lack of core funding also reduces these organizations' ability to plan long-term, making them vulnerable to fluctuations in foreign funding and pressure from donors.¹⁵

Additionally, there is a lack of long-term engagement with the private sector, particularly in developing mechanisms for investment with the private sector through Impact Investment. This investment type seeks to generate positive social and environmental impacts, as well as financial returns. Although such investments could potentially support sustainable development, Jordanian civil society organizations still lack long-term strategic partnerships with private companies capable of providing sustainable funding and building organizational capacity to effectively influence education, health, and the environment. This limits the ability of civil society organizations to achieve widespread impact and take advantage of the private sector's potential to create sustainable opportunities.¹⁶

Seventh: Limited Focus on Localization

The concept of localization¹⁷ revolves around giving local partners more control and ownership over development initiatives and human rights promotion. Localization has become a priority for the international community in development, as it enables civil society organizations to lead, design, and implement effective projects. This relies on the existence of a supportive environment for civil society.¹⁸

The localization of humanitarian action, known as the Localization of Humanitarian Action, became a prominent priority for many donors and international organizations after the launch of the Grand Bargain in 2016. This initiative aims to enhance the position of local actors in front of donors and to correct the imbalance of power between international and national efforts. The main commitments of donors and humanitarian organizations include providing greater resources for those in need, improving the efficiency and effectiveness of humanitarian aid, increasing multi-year investments in the capacity building of local and national responders, and reducing or removing barriers that hinder partnerships with these local actors. Additionally, it aims to support and strengthen existing national coordination mechanisms as part of the efforts to achieve the goals of the Grand Bargain.¹⁹

The shift towards localization requires civil society organizations to have access to foreign funding and to collaborate with external donors. They must also be able to establish themselves, operate, and sustain their activities. However, because of the restrictive laws and practices that limit their ability to function, civil society organizations face challenges in fulfilling their roles, with their working space being continuously narrowed. It becomes the responsibility of donors and the private sector to increase investments that support civil society and intensify efforts to remove barriers, enabling civil society organizations globally to fully participate in localization efforts.

In parallel, civil society organizations also bear the responsibility of unpacking the localization agenda and finding common ways to implement it. This requires them to improve their relationships with governments and donors and integrate into networks and alliances that enhance the response to localization.



Legislative and Organizational Reforms:

- **Adopt a Notification-Based Registration System**

Replace prior approval requirements with a notification-based registration system for associations, ensuring that there is a transparent judicial appeal mechanism in place.

- **Establish a Unified Supervisory Authority**

Create a single reference body for overseeing associations to avoid duplication of efforts and ensure better coordination between government agencies.

- **Shift to Post-Operational Oversight**

Reduce pre-emptive monitoring of associations and transition to post-operation oversight based on audited periodic reports, allowing for greater organizational autonomy.

- **Amend the Associations Law**

Revisit the restrictions on political participation in the Associations Law, setting clear objectives for activities that are prohibited, while respecting freedom of expression and engagement in public affairs.

- **Transfer Authority to the Judiciary for Dissolution or Suspension of Activities**

Transfer the authority to dissolve associations or suspend their activities from the concerned minister to the judiciary, ensuring transparency and fairness in decision-making.

- **Facilitate Access to Local and Foreign Funding**

Simplify the process for obtaining both local and foreign funding by establishing a transparent and swift approval mechanism, which will help enhance financial sustainability.

- **Standardize Banking Procedures for Civil Society Organizations**

Ensure that banks uniformly open both main and subsidiary accounts for civil society organizations without discrimination or delays, thus facilitating smoother financial operations for these entities.



Diversifying Funding Sources:

- **Encourage Strategic Partnerships with the Private Sector**

Promote the development of strategic partnerships between civil society organizations (CSOs) and the private sector through Impact Investments, which aim to achieve positive social and environmental outcomes alongside financial returns.

- **Enhance Reliance on Local Funding**

Strengthen local funding sources by establishing a Support Fund for Associations that covers essential operational expenses, helping to reduce dependence on foreign donations and ensuring sustainability.

- **Develop Innovative Financing Tools**

Foster the development of innovative financing tools such as electronic crowdfunding platforms, which allow CSOs to reach a broader donor base and increase financial support for their initiatives.

- **Provide Flexible and Sustainable Funding**

Ensure the availability of flexible and sustainable funding that covers the basic operational costs of associations, guaranteeing the continuity of their work and enabling them to plan and execute long-term projects effectively.



Enhancing Partnerships Between Stakeholders:

Forming a tripartite committee including the government, donors, and civil society organizations to collaboratively determine national and community priorities.



Enhancing Good Governance:

- Increasing transparency in the work of civil society organizations by publishing annual public reports on activities and financial sources.
- Providing specialized training programs aimed at emerging organizations to enhance their knowledge of good governance principles and their practical application, alongside offering continuous advisory services to support the implementation of good governance in practice.



Strengthening the Focus on Localization:

- Supporting the capacity building of civil society organizations so they can lead effective projects that align with local needs.
- Enhancing the integration of organizations into regional and international networks and alliances to exchange knowledge and experiences.

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