



USAID
FROM THE AMERICAN PEOPLE

SUPPORTING THE IMPLEMENTATION OF STREAMLINED PROFESSIONAL LICENSING PROCESSES IN WADISEER DISTRICT

A Summary Report

September 9, 2007

This publication was produced for review by the United States Agency for International Development. It was prepared by Shereen Al Abbadi from Al Jidara to BearingPoint, Inc.

SUPPORTING THE IMPLEMENTATION OF STREAMLINED PROFESSIONAL LICENSING PROCESSES IN WADISEER DISTRICT

A SUMMARY REPORT

USTAINABLE ACHIEVEMENT OF BUSINESS EXPANSION AND
QUALITY (SABEQ)

CONTRACT NUMBER: 278-C-00-06-00332-00

BEARINGPOINT, INC.

USAID/JORDAN ECONOMIC OPPORTUNITIES OFFICE (EO)

SEPTEMBER 9, 2007

AUTHOR: SHEREEN AL ABBADI

TASK NO.3.1.3.5 REGISTER A BUSINESS IN THE GREATER
AMMAN MUNICIPALITY (GAM) SIGNIFICANTLY REDUCED.

DISCLAIMER:

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

CONTENTS

INTRODUCTION.....	1
Background.....	1
Objectives and activities of this assignment.....	1
IMPLEMENTATION SUPPORT.....	3
Recommendations of previous assignments.....	3
Recommendations of this assignment.....	4
Remarks.....	5
PROCESS FLOW.....	7
Professional license issuance.....	7
Professional license renewal.....	8
LESSONS LEARNED.....	9
APPENDIX 1.....	10
APPENDIX 2.....	11

INTRODUCTION

BACKGROUND

Previous AMIR-USAID studies have identified that licensing and permitting practices are being unnecessarily costly to investors seeking to establish a new business in Jordan. Those studies show that it can take from three days to three months to license a business. Therefore, a project aimed at simplifying the processes for professional license issuance and renewal was initiated by AMIR/USAID in 2004 in two pilot municipalities and to be rolled out to other municipalities as well. Greater Amman Municipality (GAM)/Wadiseer District was selected as a pilot municipality.

The pilot project at the Wadiseer District was initiated to develop a model professional licensing process that could be applied to other municipalities in the Kingdom, and aimed at simplifying the processes for professional licenses issuance and renewal. Although the recommendations of the pilot project resulted in improving the professional licensing processes in Wadiseer District, many of the major recommendations were not implemented due to lack of ownership and support.

The *World Bank 2007 Doing Business Report* indicated that starting a business in Jordan takes 18 days for 11 procedures. According to the report, the procedure of obtaining a professional license alone takes 8 days out of the 18.

In January 2007, GAM's new leadership decided to implement the previous streamlining recommendations in Wadiseer District. A workshop was conducted under the patronage of the Mayor of Amman, and included all stakeholders. During the workshop, an action plan was developed to implement the streamlining recommendation, which included SABEQ's support for the implementation of the streamlined processes in Wadiseer District.

This report summarized the activities and outcomes of SABEQ's implementation support assignment which was launched in May 2007. It indicates the status of implementation of the streamlining recommendations as of the 31st of July 2007, in addition to the actions that should be completed by GAM to further implement the streamlining recommendations.

OBJECTIVES AND ACTIVITIES OF THIS ASSIGNMENT

The objective of this assignment is to assist GAM/ Wadiseer District in implementing the streamlined processes for the issuance and renewal of professional licenses. To accomplish the objective, the following activities/tasks took place:

- Meeting with the relevant staff at Wadiseer District including the District Head, the Professional Licensing Head, the Engineering Department Head, the Health Department Head, the Quality Representative, and other employees.
- Monitoring and supervising the actual implementation of the licensing process on site, and providing assistance and coaching.
- Providing mentoring and support for the employees of professional licensing and other departments when needed.
- Identifying areas of improvements during implementation, discussing them with SABEQ and GAM, and putting them into implementation.

- Reviewing related process documentation, suggesting amendments and evaluating the amended versions. The process documentation included: The Professional Licensing Work Instruction (which is part of GAM's Quality Management System), and the Health Directorate Guidance Manual.

It was noted that Standard Operating Procedures, which were prepared by previous streamlining projects, were not used. The licensing procedures that are part of GAM's Quality Management System, the Health Directorate Guidance Manual, and the Professional Licensing Manual were the three sources of process information used in GAM. Thus, it was agreed to assist GAM in reflecting the streamlining recommendations on those documents to enhance the chances of long term implementation.

IMPLEMENTATION SUPPORT

RECOMMENDATIONS OF PREVIOUS ASSIGNMENTS

The previous streamlining project resulted in a set of major recommendations to improve the processes of issuance and renewal of professional licenses in Wadiseer District. Below are these recommendations and the status of their implementation:

1. Activating the Customer Service Units (CSU) as a One Stop Shop:

The Customer Service Unit (CSU) at Wadiseer District in addition to the newly established professional licensing counter, are the two main service provision locations. Except for the financial department (located on the same floor of the CSU and the professional licensing counter) where the customer has to get the needed financial clearances, no further interactions between the customer and the district staff take place. All internal processes are carried out by the district staff, and documents are transferred with the assistance of an office boy, with no interaction with the customer. The professional licensing counter acts as the front office of the professional licensing unit; it facilitates procedures done by the professional licenses back office and other departments without interaction with applicant, in addition to fees payment.

In a professional licenses issuance procedure, the CSU handles the application phase, which includes receiving the application, directing the applicant to carry out financial clearances and scheduling inspection. The professional licensing counter handles the professional licensing issuance phase, fees payment and obtaining the needed signatures.

In a professional licenses renewal procedure, the professional licensing counter handles the whole procedure.

2. Consolidating municipal inspections:

By the end of this support assignment, consolidated inspections took place. Joint health inspections and professional licensing inspections occurred. The district cars were rescheduled to ensure that the inspectors transported from one inspection location to the other. (Previously the professional licensing inspector used to move from one inspection location to the other by the customers' cars).

3. Delegating the authority of signing the license at issuance from the District Head to the Engineering Department Head:

The Engineering Department Head deputizes the District Head and signs the license at issuance, in case the District Head is absent.

4. Reducing pre-approvals:

The Professional Licenses Directorate at the head office of GAM communicated officially with 27 of the related entities, informing them that pre-approval will no longer be requested for obtaining or renewing a professional license. The Head of the Professional Licenses Directorate at the head office of GAM announced that they will be informing all districts to stop requesting these pre-approvals in a month's time. Appendix 1 contains a list of the entities that the Professional Licenses Directorate, at the head office of GAM, communicated with officially; the reference number and dates of the relevant official letters are also included.

5. Reducing the number of professions that require Civil Defense Directorate (CCD) approval using risk analysis:

The suggested Memorandum of Understanding (MOU) with CCD is not signed yet. The Professional Licenses Directorate at the head office of GAM held many meetings to discuss this MOU. A newer version of the MOU was prepared based on the previously suggested approach (risk base approach) and will be discussed with the CCD. The draft MOU was reviewed and comments were conveyed to the Professional Licenses Department Head at GAM by phone.

6. Health Certificate pre-approvals:

The suggested Memorandum of Understanding (MOU) with the Ministry of Health, Jordan Food and Drug Association, and the Ministry of Environment is not signed yet, but recently, the Head of Environment and General Sanitary Department confirmed that the MOU's final version is ready for signatures.

RECOMMENDATIONS OF THIS ASSIGNMENT

During this assignment, other areas of improvements were identified, and recommendations were discussed with SABEQ and GAM. Below is a description of these areas and the status of implementation of the related recommendations:

1. Reducing the number of visits to the district:

It was noticed that some visits to the district could be reduced by better utilization of resources and means of communication. One visit was reduced on the inspection day, where the applicants used to visit the district and meet the inspector to arrange the inspection schedule. The inspector would then commence the inspections using the applicants' cars to transport him from one inspection location to the other.

This visit was reduced by improving the pre-scheduling of inspections, ensuring clear address and location and obtaining the telephone number of the applicant. The telephone is currently used to confirm inspection location and time.

Another visit was reduced by informing the applicant of the needed documents and estimated fees to complete the process. Many clients used to pay an extra visit to the district to obtain information on the documents needed to complete the process. Others used to pay the district an extra visit to pay the fees, as many do not usually carry enough cash.

Although the quality procedure was amended to reflect the changes described above, follow up by the Professional Licenses Unit and the Quality Department is needed to ensure the continuity of the new practice.

2. Ensuring the availability and quality of input data and information:

The professional licenses process is cross departmental. Many units within the district use the application template to process the application and document the required information. Some of the information/data filled by the different departments compose an essential input to the professional license e.g. street number, building number; therefore, delays and chaos will

occur if the input data is not available on the application. In the past, when these data inputs were not duly filled out on the application, the data entry personnel would obtain it from the applicants themselves, which meant that the data was not verified. Missing input data/information was identified, and consequently, the concerned units were informed to ensure that their related parts were duly filled.

The Professional Licenses Unit and the Quality Department, with the assistance of the District Head, should follow up to ensure that the needed information is filled and verified by the relevant unit.

3. Clarification of Health Certificate requirements:

Obtaining a health certificate is a process that goes in parallel with the professional licensing process. Actually, the two processes are integrated and the health certificate is consolidated with the professional certificate. Health requirements per profession had been identified and documented. Yet, there is a lack of documentation for the needed activities that the health department should take based on the profession type, i.e. which professions should be inspected, and which professions should obtain pre-approvals and by whom. The Environment and General Sanitary Department is in charge of defining the technical requirements and processes for obtaining a health certificate. By the end of this project, the Head of the Environment and General Sanitary Department issued five lists indicating the professions that should be inspected and the professions that should obtain pre-approvals. The Environment and General Sanitary Department should elaborate those lists to reflect the needed activities on the process of obtaining the health certificate.

Appendix 2 is an action plan, in English and Arabic that reflects the needed actions to be completed by GAM staff to further implement the streamlining recommendations of this assignment.

REMARKS

The following are remarks that should be taken into consideration to further improve the facilities and skills of personnel:

1. The Location

Although the current professional licenses counter in Wadiseer is operating in a satisfactory manner, it is too small for the renewal period. The current location can accommodate three employees including a data entry person and an accountant. According to the process executors, a minimum of double this number is needed for the renewal period. The waiting space that is currently available is satisfactory, yet it may be too small for the renewal period as well. The Professional Licenses Head and the Quality Department at the district should monitor the implementation of the professional licenses counter location and the waiting space for the coming renewal period and report it to the district head to take action accordingly. It is important to take this into consideration in case of rolling out to other districts.

2. Training

Many training activities could be utilized to improve the skills of the service providers and the executors. ***The front line staff requires training on customer service and communication skills in addition to process management and improvement.*** The Health

Department will need orientation on the health certificate processes once they are finalized. The professional licenses staff as well as staff from other departments concerned should be trained on the new professional licenses process, once it is finalized as well. Other departments/units/personnel related to the professional licensing processes are: the Zoning Department, the Inspector, the Health Department, the CSU and the Quality Department.

PROCESS FLOW

PROFESSIONAL LICENSE ISSUANCE

Below is a description of the recommended professional licenses issuance procedures flow. It reflects the flow of professional licensing issuance as implemented in Wadiseer District by the end of this assignment. It covers the main process flow, excluding pre-approvals:

Phase 1: Application

Number of visits needed: One visit to the district

Steps: 1 to 3 carried out by the applicant, Step 4 by the CSU staff with the applicant

1. Submitting the application and Group 1 of attachments to the Customer Service Unit (CSU).
2. Obtaining financial clearances from the Financial Department.
3. Obtaining the inspection date and time from the CSU.
4. Obtaining the exact address of the location and phone number of the applicant.

Note: Group 1 of attachments is: Building Permit or Occupation Permit, Zoning Drawing and Company Registration Certificate.

Phase 2: Inspection and Notification

Number of visits needed: No visits to the district are needed, but the applicant should be at the inspection location on the specified date and time

Steps: All carried out by the district staff

1. The inspector retrieves the files for the next day inspections from the archives and obtains the exact addresses of the locations from the CSU.
2. The inspector carries out the inspection at the scheduled time using one of the district cars.
3. After the inspections have been carried out, the inspector reports findings from the application and submits them to the Professional Licenses Unit.
4. One of the professional licensed unit staff informs the applicant of the inspection results, Group 2 of attachments and estimated fees by phone.
5. The application is circulated for the needed signatures. (Head of Professional Licensing Unit, Head of Engineering Department, District Head in addition to the approval of the Health Department and the verification of the Zoning information by the Zoning Department).

Note: Group 2 of attachments is: Registry with the Chamber of Industry or Commerce and a Certified Rental Contract.

Phase 3: Professional License Issuance and Fees Payment

Number of visits needed: One

Steps: 1 and 2 carried out by the applicant, Step 3 by the district staff

1. Submitting Group 2 of the attachments at the Professional Licenses Counter.
2. Paying the fees to the accountant at the Professional Licenses Counter.
3. Issuing the license and circulating it for the needed signatures.

PROFESSIONAL LICENSE RENEWAL

Below is a description of the recommended professional licenses procedures flow renewal. It reflects the flow of professional licensing renewal as implemented in Wadiseer District by the end of this assignment. It covers the main process flow, excluding pre-approvals and corrections of previous non-compliances. The main issuance processes is usually carried out in one visit.

Number of visits needed: One visit to the district

Steps: 1 to 3 carried out by the applicant, Step 4 by the CSU staff with the applicant

1. Submitting the renewal application and attachments to the Professional Licenses Counter.
2. Circulating the application for the needed signatures.
3. Paying the fees to the accountant at the Professional Licenses Counter.
4. Issuing the license and circulating it for the needed signatures.

LESSONS LEARNED

Below are the lessons learned during this assignment, and which should be considered when implementing similar projects:

1. **Escalating issues:** This assignment aimed at helping the District of Wadiseer to implement a set of streamlining recommendations that were defined by previous projects. The mayor of Amman supported these recommendations in a session attended by all concerned stakeholders; nevertheless, the implementation was faced with resistance at many levels. When trying to reach agreement through persuasion was not achieving the required results, issues were escalated promptly to leadership. In this project, issues were escalated to the District Head, and then to the Mayor's Districts Assistant, which ensured the implementation of the streamlining recommendations.
2. **Defining the systems/documents governing the processes:** In order to ensure long term implementation of recommendations, it is essential to define which documents/systems govern the process and are used by staff. Previous projects delivered detailed and informative process SOPs; however, they were never used as part of the documents that govern the process. For this assignment, it was observed that GAM's Quality Management System procedures and instructions and the "Professional Licenses Manual" are governing the process, thus amendments were made to the Quality Procedures.
3. **Observing the process:** A guided tour by the process owner may be useful to clarify the process flow. However, it should be noted that it is not enough to capture the executors' practices that may affect service delivery to a great extent. Observing the process as carried out by the executors is very important. No matter how well the process is documented, observing it more than one time reveals the actual AS IS situation.
4. **Managing meetings effectively:** It is difficult to run meetings with district staff who directly deal with the public. Meetings are always interrupted for signatures or for follow ups on administrative issues. It is therefore important to plan for the meeting ahead of time, by preparing a meeting agenda and ensuring the availability of the required people. Meetings after the district's working hours (after 3:00 pm) are highly recommended.

APPENDIX 1

List of the entities that the Professional Licenses Directorate, at the head office of GAM, communicated with officially informing them that their pre-approval will no longer be requested for obtaining or renewing a professional license			
No.	Entity	Letter No.	Date
1.	Jordan Civil Aviation Authority	11882/11/8	2007/5/6
2.	Central Bank of Jordan	11875/11/8	2007/5/6
3.	Natural Resources Authority	11881/11/8	2007/5/6
4.	The Jordanian Civil Defense	11877/11/8	2007/5/6
5.	Ministry of Health	11874/11/8	2007/5/6
6.	The Higher Council for Youth	11890/11/8	2007/5/6
7.	The Department of Press and Publications	11902/11/8	2007/5/6
8.	Jordan Securities Commission	11887/11/8	2007/5/6
9.	Ministry of Public Work and Housing	11896/11/8	2007/5/6
10.	Insurance Commission	11903/11/8	2007/5/6
11.	Ministry of Finance	11885/11/8	2007/5/6
12.	Ministry of Environment	11884/11/8	2007/5/6
13.	Jordan Petroleum Refinery Company	11878/11/8	2007/5/6
14.	Public Transport Regulatory Commission	11880/11/8	2007/5/6
15.	Audio-visual Commission	11900/11/8	2007/5/6
16.	The General Syndicate of Bakeries Owners	11901/11/8	2007/5/6
17.	Ministry of Transport	11892/11/8	2007/5/6
18.	Department of Lands and Survey	11886/11/8	2007/5/6
19.	Ministry of Labor	11883/11/8	2007/5/6
20.	Ministry of Education	11879/11/8	2007/5/6
21.	Ministry of Information and Communications Technology	11891/11/8	2007/5/6
22.	Ministry of Higher Education	11876/11/8	2007/5/6
23.	Ministry of Culture	11889/11/8	2007/5/6
24.	Jordan Customs	11893/11/8	2007/5/6
25.	Ministry of Social Development	11888/11/8	2007/5/6
26.	Ministry of Interior	11894/11/8	2007/5/6
27.	Jordan Maritime Authority	11899/11/8	2007/5/6

APPENDIX 2

Actions that should be completed by GAM to further implement the streamlining recommendations.		
No.	Action	Responsibility
1.	Signing the MoU related to the Health Certificate with Jordan Food and Drug Association, Ministry of Health and Ministry of Environment.	GAM/ Environment and General Sanitary Department
2.	Amending Health Certificate requirements and procedure to clarify the needed actions per profession.	GAM/ Environment and General Sanitary Department
3.	Signing the MoU with Civil Defense Directorate and start implementing it.	GAM / Professional Licensing Department
4.	Informing all districts to stop requesting the 27 entities' pre-approvals that were removed, and follow up on that.	GAM / Professional Licensing Department
5.	Issuing and distributing a new version of the Professional Licensing Manual including the streamlined process and reducing the pre-approvals.	GAM / Professional Licensing Department
6.	Ensuring continuous implementation of the streamlined professional licensing process in Wadiseer District.	GAM / Professional Licensing Department and Quality Department

الخطوات التي يجب متابعتها من قبل أمانة عمان الكبرى		
الرقم	الخطوات	مسؤولية التنفيذ
1.	توقيع مذكرة التفاهم المتعلقة بالرخصة الصحية	أمانة عمان- مديرية صحة وسلامة المجتمع
2.	تعديل دليل الاشتراطات الصحية لتوضيح الإجراءات الصحية استناداً لنوع المهنة	أمانة عمان- مديرية صحة وسلامة المجتمع
3.	البت في مذكرة التفاهم مع الدفاع المدني والتنسيق لتطبيق بنود المذكرة	أمانة عمان الكبرى – دائرة المهن
4.	التعميم على المناطق بعدم طلب الموافقات المسبقة التي تم إلغاؤها ومتابعة تنفيذ ذلك	أمانة عمان الكبرى – دائرة المهن
5.	تعديل دليل المهن بحيث يشمل الإجراءات الجديد والموافقات المسبقة التي تم إلغاؤها وتوزيعه على المناطق	أمانة عمان الكبرى – دائرة المهن
6.	ضمان استمرارية تطبيق الإجراء المعدل في منطقة وادي السير	أمانة عمان الكبرى – دائرة المهن ودائرة الجودة

Sustainable Achievement of Business Expansion and Quality (SABEQ)

BearingPoint, Inc.

Salem Center, Sequleyah Street, Al-Rabiyeh

Amman, 11194 Jordan

Phone: + 962-6 550-3050

Web address: <http://www.SABEQ-Jordan.org>