

INTRODUCTION

The Jordan Investment Commission (JIC) constitutes an embodiment of His Majesty King Abdullah II vision for economic progress as a top national priority. His Majesty the King's directives stressed the need to continue economic restructuring and modernization programs to achieve their desired objectives. They also emphasized the need to develop effective legislation, policies and procedures that enhance the competitiveness of the national economy, attract investments, facilitate their success, and eliminate bureaucratic constraints, in order to create employment opportunities, raise growth rates, and achieve sustainable development.

The priorities of JIC are to lead and stimulate investment, ensure its sustainability, and help realize its desired impact of driving economic growth and job creation. Fulfilling this function requires the Commission to develop the investment infrastructure and increase its readiness through regulatory legislation, and then to pursue well-studied steps to promote investment and exports, build local and international partnerships, and increase the effectiveness of the investment window.

JIC SERVICES

- Provide comprehensive information on investment opportunities in the Kingdom.
- Provide preliminary feasibility studies for promising projects.
- Registration and licensing of economic activities covered by the Investment Law within and outside the development zones through the Investment Window.
- Regulate the granting of incentives and advantages in accordance with the Investment Law.
- Provide After-care services.
- Promote exports and help open new export markets and increase the share of Jordanian exports in international markets.



VISION

To stand out in promoting investments and contributing to economic growth.

MISSION

To stimulate and activate investments in the Kingdom by keeping pace with and developing infrastructures, and promoting investment opportunities and exports to increase the effectiveness of domestic and foreign investments and ensure financial sustainability.

OBJECTIVES

- Increase the effectiveness of the investment environment
- Increase the effectiveness of investments
- Enhance solvency and financial sustainability
- Enhance institutional capacity for excellence



THE INVESTMENT WINDOW

The Investment Window at the Investment Commission, or the One-Stop window, is one of the most important means of empowering local and foreign investments by simplifying registration and licensing procedures for investment projects that benefit from the Investment Law.

The Investment Window includes fully authorized representatives of the government authorities concerned who have the authority to issue approvals and licenses for investment projects, as well as qualified staff from the Commission for procedure facilitation and follow-up.

Services provided by the Investment Window

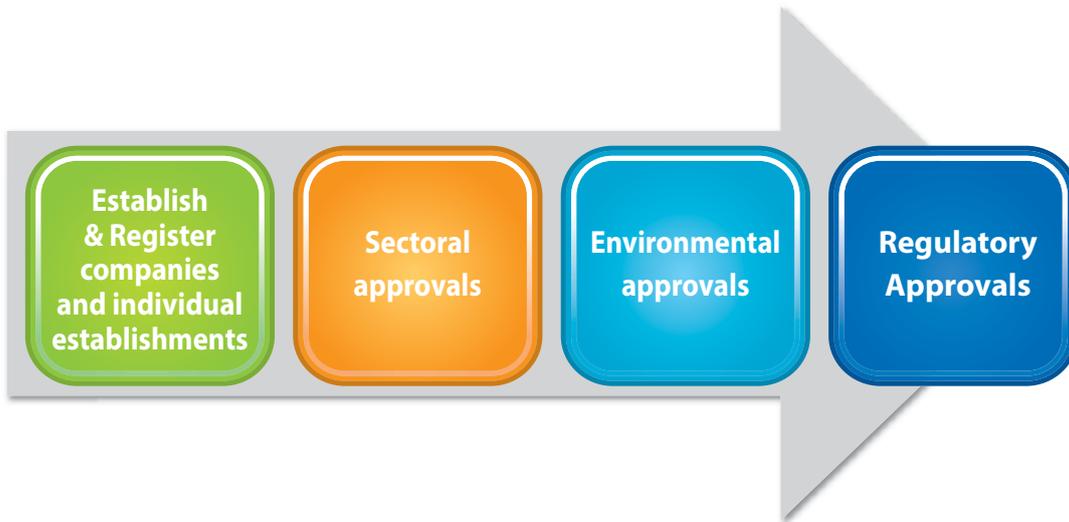
- Provide information and technical advice to investors.
- Register companies and Individual Establishments within and outside the development zones.
- Issue the licenses and the approvals necessary for economic activities to conduct their business and issue licenses to practice economic activity within the development zones.

Objectives of the Investment Window

- Enhance confidence in Jordan's investment environment by providing data, information and facilities for the establishment of investment projects.
- Streamline procedures and shorten the number of days required to issue the approvals and licenses necessary for investment projects.
- Contribute to strengthening the status of local and foreign investments through diligent follow-up on their requirements, overcoming all difficulties, and providing support.



The life cycle of the investment project and the role of the Investment Window



Parties concerned with the registration and licensing of investment projects that are represented at the Investment Window

1. Registration of private companies and sole proprietorships

- Ministry of Industry and Trade
- Companies Control Department
- Income and Sales Tax Department
- Amman Chamber of Industry
- Amman Chamber of Commerce

2. Regulatory and Environmental Licenses

- Greater Amman Municipality
- Ministry of Municipals Affairs
- Ministry of Environment
- Department of Land and Survey

3. Sectoral licenses

- Ministry of Tourism and Antiquities
- Ministry of Agriculture
- Food and Drug Administration
- Ministry of Health

4. Security approvals

- Ministry of Interior

5. Work Permits

- Ministry of Labor

Licensing Guide for investment projects

The Investment Window provides a “licensing guide” that outlines the procedures for processing investment projects, starting from the registration process through all the requirements for issuing the regulatory and sectoral approvals and licenses. The Commission also provides a services guide that provides a directory of the services and advantages granted to investment projects covered in the Investment Law.

WORK PERMIT AND RELATED WORK

It is mandatory for any non-Jordanian worker legally residing in the Kingdom to work for an employer in the Kingdom.

An investor may submit an application to the Commission for any of the following services:

- Import labor
- Replace labor
- Renew work permit
- Employment permit
- Transfer of sponsorship
- Change of profession
- Grant residence

Procedures

- Submit application to the Commission
- Pay fees

Location:

Investment Commission / Borders and residence department

INVESTOR CARD

Investor Card A

The Investor Card Category A is issued to investors and their family members of all nationalities provided that the investor fulfills the conditions for receiving the card. This card is a letter of recommendation issued by the Government of the Hashemite Kingdom of Jordan and accredited by all ministries and government departments. It gives its holder the right to own property, be issued car driving licenses, purchase custom-free vehicles, allow entry of vehicles from the investor's country (temporary entry), and facilitate exit and entry into the Kingdom.

Investor Card B

The Investor Card Category B is issued to Syrian investors and their family members provided that the investor fulfills the conditions for receiving the card. This card is a letter of recommendation issued by the Government of the Hashemite Kingdom of Jordan and accredited by all ministries and government departments. The card grants its holder the right to own property, be issued car driving licenses, allow entry of vehicles from the investor's country (temporary entry), and facilitate exit and entry into the Kingdom.



EXPORTS AND EXHIBITIONS

The Exports and Exhibitions Department of the Investment Commission plays a vital and active role in developing Jordanian exports and promoting them in markets abroad in order to promote national products. This activity is undertaken pursuant to the powers assigned to the Commission in the context of the Jordanian exports development track both “quantitatively and qualitatively”.

Main Role of the Exports and Exhibitions Department

The efforts of the Exports and Exhibitions Department focus on stimulating the promotional activity as it is the main link in the process of introducing national exports into foreign markets. This role is of immense importance because it makes Jordanian national products familiar in targeted international markets. This activity is the main focus of Jordanian manufacturers and exporters in marketing their products globally.

The promotional activity includes many functions carried out by the Directorate locally and internationally. They include participating in specialized international exhibitions, holding comprehensive Jordanian weeks, organizing commercial missions to target markets, in addition to commercial representation in these markets. The Department also provides support for these activities through the provision of promotional materials and introducing national products, including the export guide.

Objectives

- Contribute to promoting and marketing national products, developing exports, and enhancing their competitiveness in target markets.
- Organizing local exhibitions which are held by specialized companies in the field, and granting special approvals for exhibitions inside and outside the kingdom.
- Identify countries that can potentially host trade centers and representative offices in order to maximize the benefit for Jordanian companies in promoting their products in those markets.
- Develop the skills and export capabilities of Jordanian companies.
- Provide a working environment and a database to support Jordanian exporters.
- Contribute to facilitating export processes and overcoming the obstacles that exporters may face.
- Adopt programs that guarantee export credit.

DEVELOPMENT ZONES

Jordan has sought to establish a number of development zones, which aim to host the establishment of different economic activities that suit the competitive advantages enjoyed by each region. These zones, which are distributed throughout the Kingdom, are managed by development companies whose mission is to regulate the investment process and operate under the direct supervision of the Investment Commission.

Objectives of Development Zones

- Distribute the gains of economic development in all parts of the Kingdom.
- Create job opportunities for specialized competencies.
- Create opportunities for the development of unskilled labor in the areas where development zones are located.



DEVELOPMENT ZONES

There are 16 development zones in Jordan, either in existence or under construction as shown by the table below:

Development Zones in Jordan					
#	Name of Development Zone	Governorate	Year	Activity	Present state
1	King Al-Hussein Ibn Talal Development Zone/ Mafraq	Mafraq	2006	Industrial Solar energy Adjacent to residential	Phases 1&2 of the infrastructure are ready and the zone receives industrial investments Renewable energy area is completely rented
2	Al Thuraya Development Zone	Mafraq	2017	Industrial	The zone is operational and it receives investments
3	Irbid Development Zone	Irbid/ Ramtha	2009	Smart complex (services+ scientific research+IT+medical industry)	The zone is being re-planned by the main developer
4	Maan Development Zone	Maan	2007	Industrial skills development center / industrial incubator + solar energy + Hajj oasis	The zone is operational and it receives investments
5	Al Muhammadiyah Development Zone	Maan	2016	Health complex for livestock	First stage of infrastructure under construction
6	Dead Sea Development Zone	Balqa + Madaba	2009	Tourism	The zone is operational and it receives investments
7	Ajloun Development Zone (Tourism development walkway)	Ajloun	2015	Tourism	Master plan under preparation
8	King Hussein Business Park	Amman	2010	IT, media, education, and telecommunication services	The park is operational and 100% occupied
9	King Abdullah II Development Zone/ Sahab	Amman	1980	Industrial	The zone is operational and it receives investments
10	Al-Hassan Industrial Zone	Irbid	1991	Industrial	The zone is operational and it receives investments
11	Al-Hussein Ibn Abdullah II Industrial Zone	Karak	2003	Industrial	The zone is operational and it receives investments
12	Al Muwaqar Industrial Zone	Amman	2010	Industrial	The zone is operational and it receives investments
13	Al Tafilah Development Zone	Tafilah	2014	Industrial	First stage of infrastructure under construction
14	Madaba Development Zone	Madaba	2014	Industrial	First stage of infrastructure under construction
15	Al-Salt Development Zone	Al-Salt	2014	Industrial	First stage of infrastructure under construction
16	Jarash Development Zone	Jarash	2014	Industrial	First stage of infrastructure under construction

FREE ZONES

Free zones contribute to enhancing Jordan's status as a commercial center by facilitating the transit of goods and encouraging economic activity.

Jordan has more than 40 zones that enjoy the free zone status.

List of Free Zones in Jordan		
No.	Free Zone	Location
1	Zarqa Free Zone	Zarqa
2	Sahab Free Zone	Sahab
3	Queen Alia International Airport Free Zone	Airport
4	Al-Karak Free Zone	Karak
5	Al-Karama Free Zone	Al Karama
6	Al Mwaqer/ Muwaqqar Free Zone	Muwaqqar
7	Indo-Jordan Chemicals Company Ltd.	Al Shaydiya
8	Trans-Jordan Livestock Company	Qweira/ Aqaba
9	Hijazi and Ghosheh Company for meat and livestock	Qweira/ Aqaba
10	Jordan Bromine Company	Karak
11	Jordan Magnesia Company	Karak
12	Arab Fertilizers & Chemicals Industries LTD (KEMAPCO)	Aqaba
13	Nippon Jordan Fertilizer Co NJFC	Aqaba
14	Solvochem Holland B.V. Co	Aqaba
15	Middle East Regional Development Enterprises (MEREN)	Qweira
16	Jordan Abyad Fertilizers and Chemicals Co. (JAFCCO)	Karak
17	Jordan India Fertilizer Co (JIFCO)	Al-Shaydiya
18	Jordanian Duty Free Shops Co	Amman
19	Jordan Media City (Dallah Media Production Company)	Na'our/ Amman
20	International Diamond Investment Co	South Shouna
21	King Abdullah II Design and Development Bureau (KADDB)	Zarqa/ Al -Dulayl
22	Al-Baha Company For Caustic Chlorine Ind.	Zarqa/ AlHallabat
23	Bayt Al Mal for Saving and Investment Housing Bank (Baytona)	Karama
24	Jordan International Investment Company (JIIC)	Zarqa/ Al-Hallabat
25	Hikma Pharmaceuticals Co.	Amman/ Al-Qastal
26	International Committee of the Red Cross (ICRC)	Amman/ Qweismeh
27	Jordan Saudi Company for Satellite (JASCO)	Amman/ Na'our
28	Trans Middle East International Distribution Co. Ltd	Amman/ Al- Taneeb
29	Jordan Aircraft Manufacturing and Development Company	Queen Alia International Airport
30	Jordan Aeronautical-systems Company (JAC)	Marka Airport
31	Jordan Aircraft Maintenance Limited (JorAMCo)	Queen Alia International Airport
32	Jordan Airmotive (JALCo)	Queen Alia International Airport
33	Jordan Airline Training & Simulation Company(JATS)	Queen Alia International Airport
34	Jordan Airline Catering Company (Dnata)	Queen Alia International Airport
35	Jordan Duty Free Shops	Marka Airport
36	Jordan Air Cargo Company	Marka Airport

37	Aviation Handling Services Company Ltd	Queen Alia International Airport
38	Information Technology and Industrial Cities Development Company (Cyber City)	Irbid
39	Jordan Gateway Projects Co.	King Hussein Bridge
40	Ad-Dulayl Industrial Park and Real Estate Company (IDMC)	Zarqa/ Al-Dulayl
41	Royal Jordanian Air Academy (RJAA)	Marka Airport
42	Rhodes Precast Concrete Ltd	Zarqa Al Hallabat
43	Airport Retail Shops Co	Queen Alia International Airport
44	Al Mehaniya Aircraft Maintenance	Queen Alia International Airport

The Commission assumes all affairs and powers related to the development zones and free zones including the following:

- Register the person who wishes to exercise the economic activity in the development zone in accordance with the provisions of the Investment Law.
- Establish and register the person in the free zone to exercise the economic activity within the free zone or outside of the Kingdom in accordance with the provisions of the Investment Law and the regulation issued for this purpose.
- Issue all types of licenses and certificates related to the exercise of economic activities in the development and free zones in accordance with the provisions of the Law and the regulations and instructions issued pursuant thereto.
- Expropriate the lands and real estate necessary for developing the development zones and free zones according to the provisions of the Expropriation Law.
- Exercise the powers of municipal council within the boundaries of the development zone or the free zone.
- The Investment Council shall exercise the authorities of the Higher Regulatory Council and form committees under the chairmanship of the president of the Commission that exercise the functions and authorities of district and local committees.
- Preserve the environment, water resources, natural resources and biological diversity in line with the Environment Law, and the regulations and instructions issued pursuant thereto in coordination with the concerned parties.



ADVANTAGES OF INVESTING IN JORDAN

Incentives and advantages Outside the Development Zones and Free Zones

- The Investment Incentives Regulation issued under the Investment Law specifies goods and services subject to investment incentives in accordance with the following Tables:

Table No (1) relating to economic industrial or vocational activities:

1. Table No(1/a) relating to the production inputs, which are:

- a. Exempted from custom duties.
- b. Subject to the applicable general sales tax when they are imported or purchased locally, provided that the Income and Sales Tax Department shall refund this paid tax within thirty (30) days from the date of submission of a written refund request thereof. If the Income and Sales Tax Department fails to refund such tax within this period, then it shall pay (9%) interest on an annual basis.

2. Table No(1/b) relating to production inputs, which are:

- a. Exempted from custom duties.
- b. Subject to a reduced general sales tax of (zero) percent.

3. Table No(1/c) relating to production requirements and fixed assets, which are:

- a. Exempted from custom duties.
- b. Subject to a reduced general sales tax of (zero) percent.

4. Table No (1/d) relating to dual use production requirements and fixed assets, which are:

- a. Exempted from custom duties.
- b. Subject to a reduced general sales tax of (zero) percent.

Table No (2) relating to services necessary for practicing economic, industrial or vocational activities and the economic activities included in Table No (3) which are:

Subject to the applicable general sales tax when they are imported or purchased locally, provided that the Income and Sales Tax Department shall refund this paid tax within thirty (30) days from the date of submission of a written refund request thereof. If the Income and Sales Tax Department fails to refund said tax within this period, then it shall pay (9%) interest on an annual basis.

Table No (3) Relating to the commodities necessary for the below mentioned economic activities:

- Agriculture and livestock.
- Hospitals and specialized medical centers.
- Hotels and tourist facilities.
- Entertainment and tourist recreation facilities.
- Call centers.
- Scientific research centers and scientific laboratories.
- Artistic and media production.
- Conference and exhibition centers.
- Transport and/or distribution and/or extraction of water, gas and oil derivatives by using pipelines.
- Air transport, sea transport and railways

These activities are granted the following incentives:

- Exempted from custom duties.
- Subject to a reduced general sales tax of (zero) percent when they are imported or purchased locally.
- Under the Income Tax Regulation for the Less Developed Regions, the tax due on economic, industrial and vocational activities related to table (3) above shall be reduced according to the following table, provided that the income tax payable for any activity after the reduction shall be not less than (5%) of the taxable income.

Category	Region	Duration	% Reduction
A	Covers (the Northern Valley, Deir Alla, South Shuneh, Southern Valley, Al Rweished, the Northwestern Desert, Al Jizeh with the exception of the boundaries of the Al Jizeh Al Jadideh Municipality, Al Muwaqqar with the exception of the boundaries of the Muwaqqar Municipality), the Aqaba Governorate with the exception of the Aqaba Special Economic Zone, and Al Azraq District.	20 years	100%
B	Covers the Governorates (Maan, Tafilah, Karak, Ajloun)		80%
C	Covers the Governorates (Jarash, Mafraq, Irbid with the exception of the boundaries of the Greater Irbid Municipality)		60%
D	Covers the Governorates (Amman with the exception of the boundaries of the Greater Amman Municipality, Zarqa with the exception of the boundaries of the Zarqa Municipality, Madaba, Balqa) until the boundaries of Russeifeh.		40%

Economic activities that benefit from the reduction of income tax in the less developed regions may be granted an additional extension of no more than (10) years in accordance with the rules and conditions stipulated in the Regulation.

BENEFITS OF INVESTMENT IN DEVELOPMENT ZONES

The Investment Commission regulates the work of development zones and free zones throughout the Kingdom. They are dedicated to various fields of business and industry and are equipped with the investor’s needs of infrastructure and services. These areas are managed by development companies that work to develop the infrastructure and facilitate the work of investors.

Development zones aim to distribute the gains from economic development and create job opportunities by creating a competitive advantage based on specialization and providing an integrated system of services to investors that support the growth and development of enterprises. Free zones also enhance Jordan’s status as a trade center by facilitating the transit of goods and stimulating economic activity.

The Investment Window of the Commission provides simplified registration and licensing services for companies operating in development zones.



BENEFITS IN DEVELOPMENT ZONES

1. Income tax shall be (5%) of the taxable income of the registered enterprise realized from its economic activity within the development zone.
2. Income tax shall be (5%) of the taxable income of the registered enterprise realized from its economic activity in the industrial sector.
3. Exempted from sales tax are forklifts, vehicles intended to transport ten or more persons including the driver, and which are sold to the registered enterprise for the purpose of transporting workers from and to the work facilities of this enterprise in the development zones.
4. Registered enterprises that exercise their economic activity in the development zone shall enjoy exemptions from custom duties except for export duties, service fees and wages due in accordance with the legislation in force, on: materials, equipment, machinery, supplies, and construction materials involved in the construction, furnishing and equipping of all types of projects that are established by these enterprises in the development zone, including spare parts needed for their continuous maintenance as well as goods imported to the development zone for the purpose of practicing the economic activity or exported therefrom outside the Kingdom.
5. Goods/commodities produced or manufactured in development zones that meet with the conditions of Jordanian origin shall not be subject to custom duties and other fees and taxes when they are placed for consumption in the local market.
6. A (7%) sales tax shall be collected from value of sale of services to be determined in accordance with the regulation in force when they are sold for consumption within the development zone.
7. The percentage of general tax provided for in the General Sales Tax Law on goods and services which the registered enterprise purchases or imports for the purpose of practicing its economic activity within the development zones shall be reduced to (zero), without obligation of the registered enterprise to provide any guarantee to the Income and Sales Tax Department in this respect.
8. Registered suppliers of goods and services shall have the right to request a refund of general sales tax paid by them that was paid on the commodities sold to the enterprises registered in the development zone.
9. The registered enterprise shall benefit from any tax exemptions in force in the Kingdom relating to exports of goods and services outside the Kingdom.

BENEFITS IN FREE ZONES

Benefits to registered enterprises that practice their activity inside free zones

First. Exemption from income tax on profits for the following:

1. Exporting goods or services outside the Kingdom.
2. Transit trade.
3. Sale and assignment of commodities within the boundaries of the free zones.
4. Providing and supplying services within the free zone.

Second. Exemption from income tax on salaries and allowances of non-Jordanian employees working in the projects established in the free zone.

Third. Exemption from custom duty and all taxes and fees on goods exported from the free zone to the non-domestic market and on goods imported to it including materials, equipment, machines, supplies, and building materials used in the construction, equipping, and furnishing all types of projects established by said enterprise in the free zone, including the spare parts required for its continued maintenance. The exemption does not include fees for services.

Fourth. Exemption of buildings and installations built in the free zone from licensing fees, and building and land taxes as well as fees for paving, zoning, and improvement.

Fifth. Permission to transfer foreign currencies and profits generated from it in the free zone in accordance with the provisions of legislation in force.

Sixth. Exporting machines, equipment, materials, commodities, and supplies required to establish any project therein, operate, or expand it as well as the profits generated from it outside the Kingdom in accordance with the provisions of the legislation in force.

Seventh. Forklifts and vehicles prepared for transporting ten persons or more including the driver that are sold to the registered enterprise for the purpose of transporting workers from and to the enterprise's facilities in the free zones shall be exempted from sales tax.

Eighth. Services performed by registered enterprises shall be subject to sales tax at the ratio of zero percent upon selling them for consumption in the free zone.

BENEFITS GRANTED TO A NON-JORDANIAN OTHER THAN EXEMPTIONS AND INCENTIVES

The non-Jordanian investor has the right to:

- Take out all or part of the foreign capital in a convertible currency according to the legislations in force.
- Transfer his generated revenues and profits of his investment outside the Kingdom.
- Liquidate his investment, sell his economic activity, his interest therein, or his shares or dispose thereof provided he/she fulfills his obligations to third parties or to the official authorities under the legislations in force.
- Manage his economic activity in the manner he deems appropriate and by the persons he/she chooses and the concerned authorities shall provide the necessary facilities for this purpose.
- For the purposes of implementation of the provisions of this Law, the non-Jordanian investor shall receive the same treatment of the Jordanian Investor.
- Non-Jordanian workers in any economic activity may transfer their salaries and compensations outside the Kingdom according to the legislations in force

The non-Jordanian investor may own up to 50% of the capital of any project in the following economic activities:

A. Commercial activities:

- Retail and wholesale trade, including distribution, import and export (except what is needed for practicing the economic activity and exporting goods / commodities).
- Leasing activities except finance leasing.

B. The following services:

- Engineering services and consultancy.
- Construction contracting and related services.
- Technical testing services related to soil examination and chemical tests for building and construction purposes.
- Photography except for cinematographic and television filming.
- Employment and provision of labor.
- Brokerage, except brokering and financial intermediary services provided by banks, companies and financial services.
- Advertising services including advertising agencies and offices.
- Services of agents, commercial intermediaries and insurance brokers.
- Money exchange except those provided by banks and financial companies.
- Catering services, cafeterias and cafes except in hotels and motels.
- Travel agencies, quality management and tours.

C. The following transport services (and related clearance services):

1. Maritime shipping services and its related services, which include:

- Transport of passengers and cargo excluding transport on vessels owned by non-Jordanians.
- Maritime inspection.
- Maritime freight brokers services.
- Maritime agency services.
- Supply of ships.
- Intermediation in the rental, leasing, purchase and sale of ships.
- Ship Management.
- Maritime maintenance.
- Health services for ships

2. Air transport related services, which include:

- Handling.
- Inspection.
- Packing and unloading.
- Cargo Transport Agencies.
- Air Freight Brokers.
- Warehouses and warehousing services

3. Road transport services, including the following services:

- Specialized tourist transport services.
- Road transport supporting services, including bus station services, parking lots, tunnel operating services, bridges, and highways.
- Services related to road transport including cargo handling, warehousing, cargo transportation agencies, inspection, packaging, unloading and freight intermediary services.

Economic activities in which non-Jordanian investors may own not more than 49% of the capital:

- Regular and charter air transport services for passengers, goods and mail.
- Passenger and freight road transportation services.
- Maintenance of transmitters and radio and television broadcasting equipment.
- Purchase of land for the construction of residential apartments on them and selling or leasing them.
- Sports clubs, including the organization of sporting events

Economic activities which the non-Jordanian investor may not own or contribute to its capital whatsoever:

- Gang Saw Machines, quarries of construction sand, rock, building stone and aggregates used for construction purposes.
- Investigation and security services.
- Private protection and security services and training on their activities.
- Clearance work, except those related to transport services referred to above.
- Trading in, import and maintenance of firearms and ammunition.
- Private shooting activities.
- Trading in fireworks, and their import and services.
- Bakeries of all kinds.

A non-Jordanian enterprise may own a project in full and not apply the percentage restrictions mentioned above under the following conditions:

- Jordanians shall have shares not less than 50% of their capital.
- The company shall be corporatized and registered outside the Kingdom.
- The company shall not be a public shareholding company.
- There shall be no restriction on ownership or participation in the related legislation.
- A non-Jordanian investor is allowed to own or contribute at a higher rate than that specified in the percentages listed above by virtue of a decision issued by the Council of Ministers on the recommendation of the Commission Chairman in large economic development projects of special importance.

RELAXED RULES OF ORIGIN AGREEMENT BETWEEN JORDAN AND THE EUROPEAN UNION

The significance of the decision

The decision to simplify the rules of origin between Jordan and the European Union was signed on July 19, 2016 and remains operative until the end of 2026. Under this agreement, simplified rules of origin are applied to Jordanian products manufactured in a number of industrial and development zones in Jordan and covers goods listed in around 50 categories of customs' tariffs.

This decision will open the door for a large number of Jordanian products to benefit from the customs' exemptions under the Jordanian-European Agreement, thus increasing Jordanian exports to the European market. It is expected that employment opportunities for Jordanians will increase indirectly as a result of increased volume of new investments and exports.

Who are the beneficiaries?

The decision benefits existing industrial enterprises in 18 industrial and development zones (as shown in the list below), that employ Jordanian labor as well as a certain percentage of Syrian refugees. Industrial and development zones eligible to benefit from the simplification of rules of origin are:

Amman

Al-Jizah Industrial area
Al-Qastal Industrial area
Marka Industrial zone
Muaqqar Industrial zone
Al Tajamouat Industrial City
Abdullah II Ibn Al – Hussein Development zone
Al Sokhna Industrial zone
Wadi Al Ushsh Industrial zone

Irbid

Irbid development Zone
Al-Hasan Industrial Zone

Al Mafraq

King Hussein Ibn Talal Development Zone
Al Mafraq Industrial City

Aqaba

Al Quweirah Industrial zone

Zarqa

Ad-Dulayl Industrial park
Al Hashimiyah Industrial zone
Al Russeifa Industrial zone
Wadi El – Esh Industrial zone

Karak

Al-Hussein Ibn Abdullah II Development zone

Maan

Maan Development Zone

VALUE ADDED SECTORS

TOURISM SECTOR

The tourism sector in Jordan is one of the fastest growing sectors and it includes many economic and social sectors. It remains a vital pillar of the Jordanian economy, contributing (10.5)% to Jordan's GDP in 2016.

Tourism in Jordan is linked to unique sites in the world, including Petra - one of the Seven Wonders of the World, the Dead Sea - the lowest point on earth, the location of the Baptism Site, Wadi Rum and many more.

Tourism Facts and Figures

- Tourism and leisure services are available in Jordan through a total of 3,143 establishments (hotels, restaurants, resorts and entertainment venues) which provide more than 50,359 jobs.
- Jordan ranked 62 out of 72 countries in the English language proficiency index in 2016 (EF 2016), which indicates that a significant proportion of Jordanians speak English as a second language. This enhances the ease of travel and tourism in the Kingdom.
- In 2016, there was a total of 380 classified and unclassified hotels in Jordan, including world-famous hotel chains with a total of over 40,705 beds.
- The total number of tourists arriving in Jordan reached about 4.8 million tourists in 2016 with a total revenue of JD 2,870.9 million.
- Jordan's ranking rose by two spots, placing it 75th out of 136 countries in the World Economic Forum's 2017 World Tourism and Travel Competitiveness Report. Jordan also ranked 41st out of 136 countries in the sub-index - Business Environment within the Tourism Sector.
- Jordan ranked first as the most popular destination for medical tourism in the Middle East, attracting more than 300,000 patients in 2016.



ENERGY AND RENEWABLE ENERGY SECTOR

Jordan is considered to be an ideal environment for investing in renewable energy and clean technologies. It provides a starting point for international companies to expand regionally and / or globally. The development of the renewable energy sector witnessed a sharp increase in recent years, guided by specific legislation, and witnessed a series of solar and wind energy projects. The Kingdom has also made remarkable progress in oil shale and nuclear power, aiming to become an exporter of energy by 2030.

The Energy Sector Facts and Figures

- The Renewable Energy and Energy Efficiency Law highlights 5 renewable energy sources: solar, wind, biomass, hydropower and thermal. It is expected that solar and wind power will generate the highest returns.
- Jordan imports (97%) of its fuel and energy needs. The cost of energy consumption was (14.1%) of total imports and (7.0%) of GDP in 2016.
- Jordan is located within the world solar belt, and enjoys one of the highest levels of solar radiation in the world of 5-7 kWh / square meter and more than 300 days of sunshine.
- Jordan has significant wind energy resources that can be used to generate electricity. Wind speeds average 7 m / s in several locations, rising to 11.5 m / s in hilly areas.
- According to the Jordanian Atomic Energy Commission, Jordan possesses (2%) of the world's uranium reserves. It is estimated that there are about 65,000 tons of uranium reserves located in the center of the Kingdom.
- An advanced system for the distribution of electricity in Jordan provides access to the grid for more than 99% of the population.



INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT) SECTOR

Jordan has succeeded in establishing and developing a highly competitive IT sector, which is considered one of the leaders in the MENA region. Jordan today is able to provide all the key elements required by international companies, making it a new regional window that serves the region and a regional center for emerging companies in technology, thanks to the educational system that focuses on information and communication technology, a business-friendly environment, and low start-up costs.

- The third largest contributor to Jordan's GDP in 2015, contributing more than 14%.
- More than 600 ICT companies, which employed more than 17,412 employees in 2016.
- 7% of university students (4,461) are enrolled in courses related to mathematics and computer science.
- A high percentage of the population of Jordan is educated and Internet penetration reached 103% in 2016. There are more than 9,818,000 mobile phone subscriptions, which represents 100%.
- Development zones that specialize in the ICT sector provide high quality infrastructure and a business-friendly environment thanks to attractive incentive packages (5% reduction in corporate income tax in development zones and exemption from custom duties and sales tax) for companies operating in these areas such as King Hussein Business Park in Amman and the Irbid Development Zone (northern Jordan).





INDUSTRIAL SECTOR FACTS AND FIGURES

The Jordanian industrial sector consists mainly of manufacturing industries, extractive industries, and electricity and water due to its links with many sectors such as transport, insurance, trade and others therefore this sector plays a bigger central role in its contribution to the GDP.

- The highest contribution to Jordan's GDP in 2016, which amounted to more than 20.5%.
- The location of Jordan, supported by free trade agreements, provides access to 1.5 billion customers in 161 countries and enables the Kingdom to be a strategic trade route for many neighboring countries and regions.
- Jordan's main industries are potash and phosphates, located in the southern part of the Kingdom where the mines are located close to Jordan's only port (Aqaba port), as well as pharmaceuticals, apparel, and ICT industries.
- Jordan has the second largest phosphate reserves and it is the sixth largest producer in the world, with 7,991,157 tons in 2016.



THE AGRICULTURAL SECTOR

The agricultural sector is economically important in Jordan, despite its small share of GDP, amounting to (3.8%) in 2016. The labor force in the sector constitutes 2.5% of the total labor force in Jordan. Jordan is self-sufficient in many agricultural crops such as olives, olive oil and tomatoes. It is also an exporter of a wide variety of fruits and vegetables.

The Agricultural Sector – Facts and Figures

- The area of agricultural land in Jordan is 8.9 million dunums, which is 9% of the total area of the Kingdom.
- The total cultivated area in the Kingdom was 2,700,000 acre, with a production volume of 4,770,000 tons in 2016.
- The area planted with olives is 77% of the area planted with fruit trees and about 44% of the total area actually cultivated in Jordan. Olive production is estimated at about 252,000 tons.
- Marketing plans exist to increase exports of national agricultural products and open new markets.
- The Kingdom's agricultural and food exports reached JD 1.1 billion, which constituted about 25% of total exports in 2016.
- Jordan provides opportunities to benefit from preferential conditions to access the markets of neighboring countries and the European Union through trade agreements.
- There are many investment opportunities in the sector.



THE HEALTH SECTOR

Jordan is one of the leading destinations for medical tourism in the Middle East and a regional pioneer in the pharmaceutical industry. It is expected that the sector will grow in the coming years due to factors such as increased patient visits from Saudi Arabia and GCC countries and other neighboring countries.

The availability of first class physicians, hospitals at international levels and a wide base of health centers allow the expansion of healthcare services to regional and global patients.

The Health Sector – Facts and Figures

- Jordan's total expenditure represented 9.3% of GDP in 2015 and Jordan ranked fifth in the world as a destination for medical tourism.
- In 2016, Jordan had 110 hospitals, of which 62 were private and 48 operated by state-subsidized bodies. In 2016, the total number of beds was 13,731 of which 4,496 beds were in private hospitals and 9,235 beds were in the public sector (including Ministry of Health hospitals, Royal Medical Hospitals and university hospitals).
- The Kingdom ranked first as the most popular destination for medical tourism in the Middle East and North Africa region. It attracted more than 300,000 patients in 2015.
- Jordan was elected in 2015 to the presidency of the World Council for Medical Tourism. This election was an international certificate from countries of the world to Jordan's status as an important destination for [medical] tourism.
- Medical tourism revenues reached more than JD 1.2 billion in 2015. These revenues include patients' expenses for medical procedures, accommodation, transportation and other expenses.
- The Kingdom has a rapidly developing and sophisticated capacity in laboratory services. The Kingdom sends less than 1% of samples outside the Kingdom for analysis in rare cases where it cannot meet the requirements.
- The Jordanian services market is expected to grow at an annual rate of 9.3% until 2018, bringing revenues from US \$ 243.7 million in 2015 to US \$ 380.9 million in 2018.
- Jordan achieved the highest rate of availability of workers in the pharmaceutical sector, reaching 15.5 per 10,000 people in 2016 compared to the world average of 4.3 pharmacists (in India, 5, the United States 8.8, and Saudi Arabia 0.6 according to World Health Organization 2014).



TRANSPORT SECTOR

The transport infrastructure in Jordan is relatively well developed compared to the rest of the Middle East and has growth rates of between 5-6% accounting for more than 8.22% of GDP.

Transport and Logistical Services Sector – Facts and Figures

- Jordan's population is estimated at 9.7 million in 2016.
- Employees in the transport and storage sector accounted for 7.6% of total employment in 2016, or about 99,000 jobs in this sector (Jordan's employment figures for 2016 are estimated at 1,660,256).
- The number of companies licensed for specialized transport reached 325 companies for all specialties in 2016.
- The transport sector is responsible for 48% of Jordan's 2016 energy consumption.
- The Department of Statistics 2013 data indicated that the transport system in Jordan carried 9.1 million tons of exports in that year, of which 4.01 million tons were transported by land, 5.04 million tons by sea, and the rest by air.

