



جمعية رجال الأعمال الأردنيين  
Jordanian Businessmen Association

**Jordan**

**Your Investment Haven In The Middle East**

Presented By

**Jordanian Businessmen Association**

The image features the national flag of Jordan, which consists of a red triangle at the top, a white triangle at the bottom, and a green triangle in the center. A white seven-pointed star is positioned in the upper left corner of the red triangle. The flag is shown waving on a white flagpole against a plain white background.

**Your Investment Haven in The Middle East**

**The** information presented in this brochure is derived from official statistics issued by the Government of Jordan and from the official websites of the institutions , organizations and authorities dealing with investments in Jordan . For further information you may access the websites of the following references:-

- Ministry of Industry & Trade & Supplies ([www.mit.gov.jo](http://www.mit.gov.jo))
- Department of Statistics ([www.dos.gov.jo](http://www.dos.gov.jo))
- Investment Commission ([www.jic.gov.jo](http://www.jic.gov.jo))
- Jordan Enterprise Development Corporation ([www.jedco.gov.jo](http://www.jedco.gov.jo))
- Amman Stock Exchange ([www.ase.com.jo](http://www.ase.com.jo))
- Jordan Industrial Estates Company ([www.jiec.com](http://www.jiec.com))
- Telecommunication Regulatory Commission ([www.trc.gov.jo](http://www.trc.gov.jo))
- Free Zones Company ([www.free-zones.gov.jo](http://www.free-zones.gov.jo))



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Jordanian Businessmen Association

## The Jordanian Businessmen Association (JBA)

The Jordanian Businessmen Association (JBA) was established in 1985 as an independent, non-profit organization with its headquarter in Amman, Jordan. The main objective of the Association is to create and maintain a business climate that will enable the private sector to accomplish its role in the sustainable economic and business development in Jordan.

The (JBA) embraces a wide spectrum of well-reputed entrepreneurs. It comprises senior businessmen active in the different economic sectors including industry, commerce, agriculture, banking, insurance, construction, tourism, transport, IT, health and higher education .They represent the core of the private sector.

The (JBA) is also concerned with the activation of the Jordanian private sector. It is also the aim of (JBA) to expand cooperation in business with both Arab and foreign countries to the mutual benefit of all sides. The private sector in Jordan, being committed to free enterprise and entrepreneurship, and working in collaboration with the Public Sector, believes in partnership and cooperation with the Arab and friendly countries.

In this context joint business councils have been set up with 40Arab and foreign countries such as Egypt, Syria, Palestine, Morocco, Qatar, Bahrain, Lebanon, Iraq, Algeria, Abu Dhabi, Libya, Sudan in addition to Canada, France, Turkey, Spain, UK, Malaysia, Singapore, Indonesia, Romania, Italy, Denmark, the Netherlands, India, Ukraine, Brazil, Chile, China, Bulgaria, Lithuania, South Africa, Poland, Ukraine, Greece and others .

# The Jordanian Businessmen Association (JBA)

## Our vision

To assume leadership among business associations through dedicating the expertise of our association's members, in developing an investment climate in away that enhances a supporting business environment for the national economy in Jordan.

## Our mission

To promote the suitable environment that empowers the private sector to effectively play its leading role in enhancing the economic and social responsibilities stimulating investments and serving our national economy in Jordan.



# The Association's Objectives

To crystallize and coordinate the various view points within the private sector.

To conduct economic and social studies on the public and private conditions and their reflections on the businessmen and other sectors.

- To participate in rendering the technical assistances, and developing appropriate training programmes for the Association's members for the aim of improving their work standard and raising their standard of performance.

To explain the view points, needs and interests of the various professional sectors, forming as a whole the business community in Jordan.

To conduct macro-economic specialized feasibility studies for the purpose of providing the Association's members with knowledge and information related to the effects of governmental policies on the private sector activities.

To prepare memos and working papers to be submitted to the government periodically; including the businessmen view points on the development policies being adopted and implemented by the government.

To carry out directly, or through a specialized consultative body, field surveys for data collection and to get acquainted with the view points on issues of interests to the businessmen in Jordan.

To cooperate with the competent bodies in establishing the Jordanian Business Development Center for the service of investors in Jordan, and supervise its operation.

To activate the private sector's role in Jordan, and emphasize its importance in terms of cooperation and coordination with the Jordanian Chambers of Commerce and Industry, and other private sector organizations.

- To subscribe or participate in establishing new or existing firms and companies of public interests which render economic and social services (joint capital companies, arbitration and mediation centers .... Etc) and promote these activities.

To act as representative for the businessmen in Jordan when dealing with counterpart foreign organizations.

To organize local and external seminars for the discussion of the economic issues related to the activities of the private sector and the national economy.





## Brief Review of Jordan's Economy

Jordan is considered a pivotal country in the region distinguished for security and stability despite the current regional developments and unrest. The wise leadership of His Majesty King Abdullah II and the keen efforts of its people, Jordan was able to face the challenges through the launching of a wide scale political, economic and social reform programs .

Jordan has undergone an extensive economic transformation in recent years. The country has experienced sustained growth and has increased both the volume and destination of export products over the last two decades. Jordan is the most open country in the Middle East and North Africa.

The preferential trade agreements which Jordan have signed with a number of friendly countries along with the liberalized economic policy and great legislative reforms adopted by the government, and the political stability that Jordan enjoys; succeeded in making Jordan an attractive place for investment, and transformed the country into a hub for transit trade in the region.

Jordan has undertaken extensive reforms of the legal, judicial, and administrative environment governing business activities. Specific steps have been taken to support pluralism and strengthen private- sector- led growth, stemming from the belief that the private sector is a key partner to achieve sustainable development.

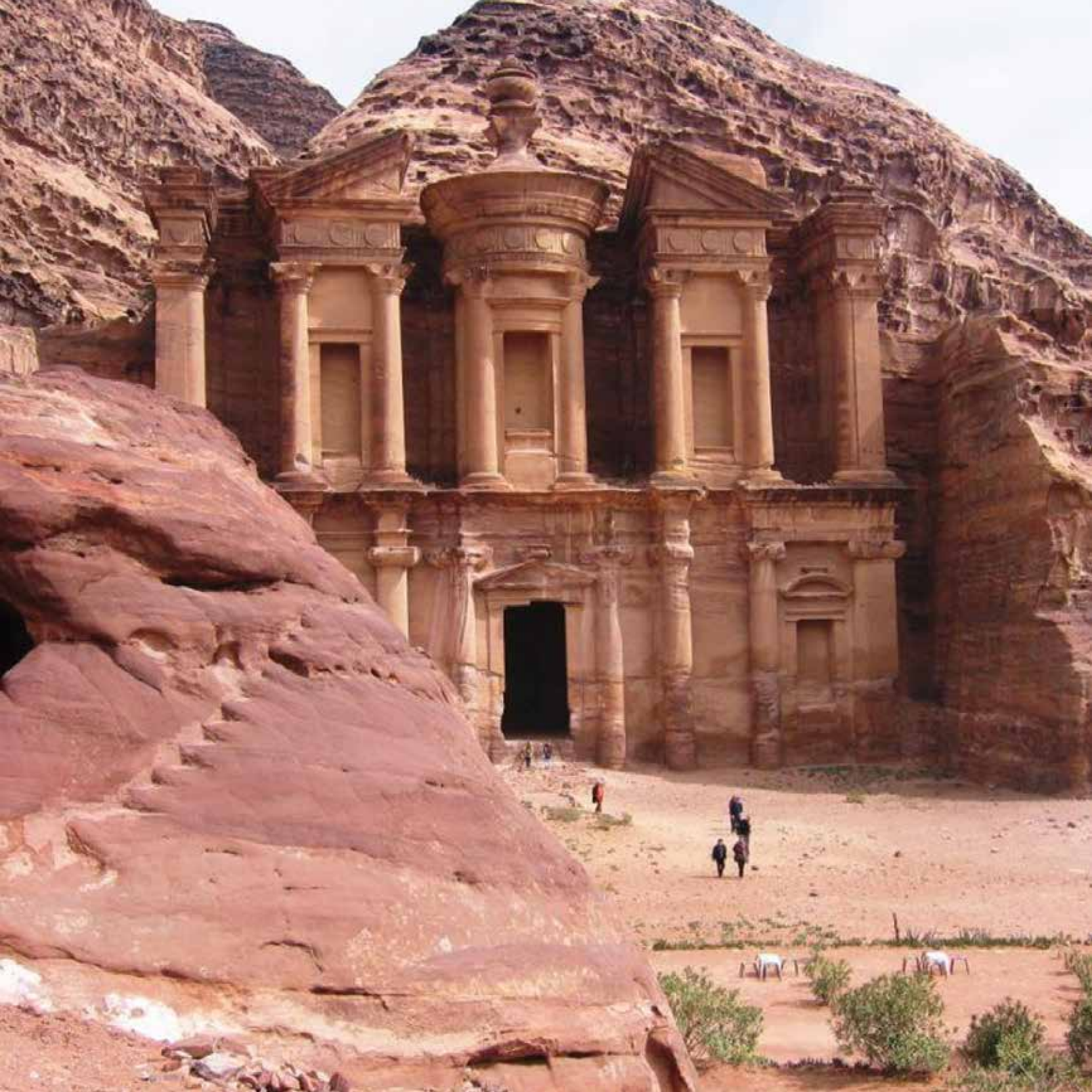
The promising sectors for investments include financial services, energy , water, transport, IT , pharmaceutical industry and SMEs , In addition to the tourism sector . Besides trade investors are invited to participate in the implementation of the ambitious mega projects that Jordan plans to realize, especially in the energy and renewable energy sector, railway network and the Red-Dead Sea project.

Jordan is also distinguished in the region in the services sector especially IT, human resources capacity, and health care services and expertise it provides through over 60 private hospitals offering world class medical care. Also higher education in Jordan is considered one of the best in the region with 30 universities spreading across Jordan, offering a wide spectrum of educational specialties in science and technology. The increasing number of Jordanian students and students from Arab and Islamic countries makes investing in higher education institutions a lucrative investment field, in addition to vocational training projects.

Jordan has been a medical tourism destination in the Middle East bringing over \$1 billion in revenue. It is the region's top medical tourism destination as rated by the World Bank and fifth in the world.

The Jordanian economy is composed of 67% services employing 77% of Jordan's labor force while the industry comprises 30% of the economy.

It is worth mentioning that despite the difficult situation in the region, Jordan was able to continue attracting foreign investments in 2013 the projects that benefitted from the incentives of the investment law registered \$2.7 billion compared to \$2.28 billion in 2012 with foreign investments percentage representing 59% of the total investments.



# Jordan Fact Sheet

## Government

Official Name:	The Hashemite Kingdom of Jordan
Capital City:	Amman
Administrative Divisions:	12 governorates (muhafazat, singular - muhafazah); Ajlun, Al (Aqaba, Al Balqa), Al Karak, Al Mafraq, (Amman, At Tafilah, Az Zarqa), Irbid, Jerash, Ma'an, Madaba
Official Languages:	Arabic is the official language and English is widely spoken
Independence Day:	25-May-1946
Form of Government:	Constitutional Monarchy
Head of State:	King ABDALLAH II (since 7 February 1999); Prince HUSSEIN (born 1994), eldest son of King ABDALLAH II, Crown Prince.
International organization participation:	ABEDA, AFESD, AMF, CAEU, FAO, G-77, IAEA, IBRD, ICAO, ICC, ICCT, ICRM, IDA, IDB, IFAD, IFC, IFRC, ILO, IMF, IMO, Interpol, IOC, IOM, IPU, ISO, ITSO, ITU, ITUC, LAS, MIGA, MINUSTAH, MONUC, NAM, OIC, OPCW, OSCE (partner), PCA, UN, UNCTAD, UNESCO, UNHCR, UNIDO, UNMEE, UNMIL, UNMIS, UNOCI, UNOMIG, UNRWA, UNWTO, UPU, WCO, WFTU, WHO, WIPO, WMO, WTO

## Geography

Size:	Total: 92,300 sq km with 329 sq km water
Location:	Middle East, 31 00 N, 36 00 E
Coastline:	27 km on the Gulf of Aqaba
Highest Point:	1,734 m
Lowest Point (on earth):	Dead Sea at -408 m

## Jordan Fact Sheet

<b>People</b>	Population:	6.5 mill
	Society:	Tolerant and welcoming society
	Religions:	Sunni Muslim 92%, Christian 6% (majority Greek Orthodox, but some Greek and Roman Catholics, Syrian Orthodox, Coptic Orthodox, Armenian Orthodox, and Protestant denominations), other 2% (several small Shi'a Muslim and Druze populations) (2001 est.)
<b>Climate Average</b>	Hot and dry summers, cool and wet winters. Hottest month, August, 1437C; Coldest month, January, 0-16C; driest months, May-August, 0 mm average rainfall; wettest month, February, 75,5 mm average rainfall.	
<b>Currency</b>	Jordanian Dinar (JOD) 1 JD =100 piastres= 1,000 fils JOD is pegged to USD (1 JOD= 1.4 USD/ 1 USD= 0.70 JOD)	



جمعية رجال الأعمال الأردنيين  
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## Jordan's Economic Indicators (2013)

- GDP Growth rate - 2.8%
- Exports- \$ 6.86 bill
- Main Export Items - Fertilizers, phosphate, potash, fruits & vegetables, pharmaceuticals, Chemicals, clothing , plastics, household appliances
- Imports - \$22.17 bill
- Main Imports - crude Oil & oil derivatives, vehicles, equipments, food products, wood & furniture, textiles, electrical & electronic appliances.
- Re-exports - \$1.16 bill
- Central Bank Reserves- \$12.16 bill
- Foreign Direct Investments- \$1.82 bill
- Main Export Markets;-  
Iraq 18.3%, USA, 17.6%, Saudi Arabia 13.5%, India 7.3 % , UAE 4% , Indonesia 3.3%
- Main Import Markets;-  
Saudi Arabia 18.3%, China 10.2%, USA 6.2%, India 5%, Italy 4.7%, Germany 3.6%, Turkey 3.4%, UAE 3.3%, Egypt 3.2%.





## Why Invest in Jordan

- **Security & Political Stability:-**

**Jordan** has good relations with all its neighbors. It has maintained continuous stability, moderation and security in a region prone to potential volatility. Jordan is a fourth generation monarchy with consistent and continuous foreign and internal policies, a democratically elected House of Representatives in the Parliament, and a visionary leader dedicated to progressive reforms of political, economical, fiscal, legal and social significance.

- **Unique & Strategic Location**

**Jordan** one country with trade agreements giving access to over 1 Billion consumers. Jordan is well situated as a regional entry point, being well connected to neighboring countries and global markets through modern transportation and communication networks. The country shares land borders with Syria , Palestine , Saudi Arabia, Iraq, and Egypt . Jordan serves as a focal point for trade and investment within the Middle East and North Africa region (MENA), particularly for the Iraqi and Gulf markets. Jordan's location allows for diversification and expansion into increasingly affluent markets.

**Jordan's** trade agreements give access to a market of more than one billion consumers. Jordan signed Free Trade Agreements with the Arab countries, US, EU, Canada , Turkey and Singapore. Additionally, being a member of the WTO, Jordanian products benefit from lower trade barriers, including tariffs, import quotas and excessive regulations.

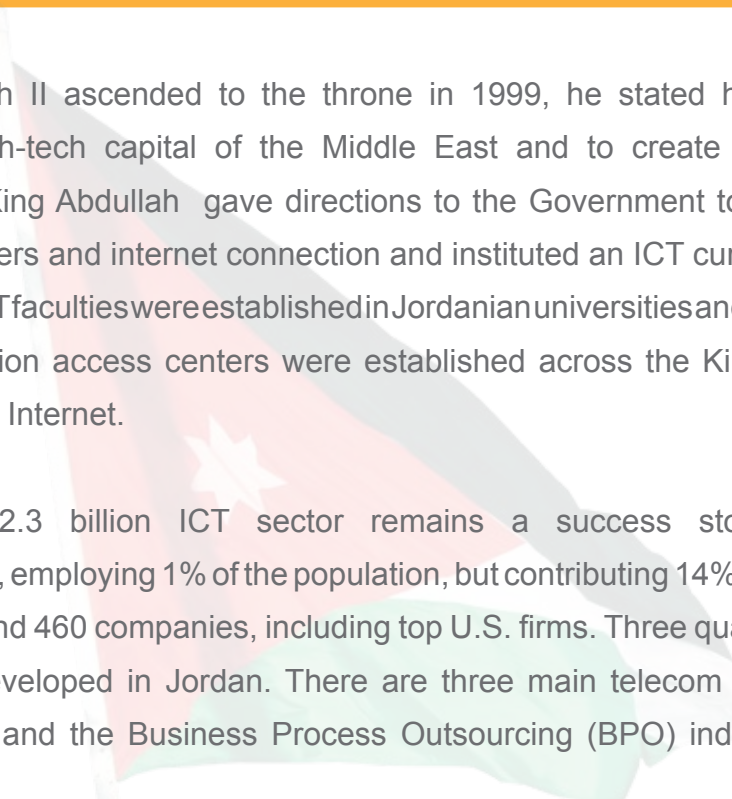
## ● **Qualified and Talented Workforce**

From executives to skilled laborers, we educate for the 21st century. Whether you are looking to outsource or locate labor in-country, Jordan's human capital will help your money work better for you. Our training investments in the high-tech, manufacturing and service sectors add value to the economy, while labor costs remain the most competitive in the Middle East.

- Jordan is among the region's highest spenders on education, investing more than 20.4% of our GDP to enable a labor force tailored to meet the demands of the modern market.
- Jordan's literacy rate of 91% is among the highest in the Middle East.
- Over 200 thousand students attending 25 universities and another 20,000 Jordanians are earning degrees abroad.
- We have 60 community colleges and 35 vocational centers graduating over 10,000 skilled technicians annually.
- 70% of the population age demographic is under the age of 30, denoting a youthfully exuberant population.
- Jordan produces over 6,000 IT graduates every year.

## ● **Infrastructure and Communications**

**Jordan** has one of the most open telecommunications markets in the Middle East and an independent regulator. The fixed-line market was liberalized on January 1st of 2005 with the market open to full competition. Jordan's telecom infrastructure is growing at a very rapid pace and continually being updated and expanded. Communications in Jordan occur across many media, including telephone, radio, television, and internet.

A large, semi-transparent watermark of the Jordanian flag is positioned in the background of the page. The flag features a white seven-pointed star on a red triangle, with a green triangle at the bottom and a white triangle at the top. The watermark is centered and slightly tilted.

**When** King Abdullah II ascended to the throne in 1999, he stated his intentions to turn Jordan into the high-tech capital of the Middle East and to create a Silicon Valley-like venture in Jordan. King Abdullah gave directions to the Government to equip all Jordanian schools with computers and internet connection and instituted an ICT curriculum into Jordan's education system. ICT faculties were established in Jordanian universities and 15,000 ICT graduates every year. Information access centers were established across the Kingdom to allow rural areas access to the Internet.

**Jordan's** nearly \$2.3 billion ICT sector remains a success story amidst regional economic downturns, employing 1% of the population, but contributing 14% to GDP. Jordan's ICT sector contains around 460 companies, including top U.S. firms. Three quarters of global online Arabic content is developed in Jordan. There are three main telecom companies (Orange, Zain, and Umniah), and the Business Process Outsourcing (BPO) industry (call centers).

**Incumbent** carrier Jordan Telecom Group is majority owned by France Telecom and operates as Orange Jordan. . Despite liberalization, Jordan Telecom Group/Orange is the only integrated operator in the country, offering mobile, fixed-line, wholesale telecoms and internet services. Mobile communications provider Zain leads the industry with a 38% market share, while Umniah has 26% market share. There are 8.9 million mobile phone subscribers in Jordan representing a 140% penetration rate. Telecommunications operators Orange, Umniah, and Zain contribute more than \$500 million to the economy. The sector attracts around \$150 million in investments annually.



## ● Right to Private Ownership and Establishment

The laws on investment promotion and property ownership generally permit domestic and foreign entities to establish and own businesses and to engage in remunerative activities.

Foreign companies may open regional and branch offices; branch offices may carry out full business activities, while Jordan's liberal foreign exchange law entitles foreigners to remit abroad all returns, profits, and proceeds arising from the liquidation of investment projects. Non-Jordanian workers are permitted to transfer their salaries and compensation abroad.

**Foreign** nationals and firms are permitted to own or lease property in Jordan for investment purposes and are allowed one residence for personal use, provided that their home country permits reciprocal property ownership rights for Jordanians. Foreign companies holding a majority share in a Jordanian company, as well as wholly-owned subsidiaries, automatically obtain national treatment with respect to ownership of land where the company's business objectives require (e.g., agriculture) or allow for ownership of land or real estate.

## The Investment Law

The different laws in Jordan recognize the benefits earned by foreign direct investment; therefore, they include provisions to encourage foreign direct investments and the growth of domestic investments.

Sectors that benefit from the Investment Promotion Law are: industry, agriculture, hotels, hospitals, maritime transport and railways, leisure and recreational compounds, convention and exhibition centers, transport and distribution of water, gas and oil, call and contact centers, and road freight transport.

The Investment Promotion Law provides investors with customs exemptions on imported fixed assets, tax exemptions as well as facilitating the licensing and registration process.

### **Benefits of Investment in Jordan Investment Promotion Law**

#### **Freedom from Custom Duties:**

- Fixed assets are exempted from fees and taxes provided that they are imported into the Kingdom for the use of the project exclusively. These assets include: the machinery, equipment and supplies used in the project including furniture and equipment for hotels and hospitals.
- Imported spare parts for the project shall be exempted from fees and taxes provided that their value does not exceed 15% of the value of the fixed assets for which they are required.

## Investment Guarantees

- The different laws governing investment in Jordan offer equal treatment to both Jordanian and non-Jordanian investors, thus allowing the non-Jordanian investor to own any project in full or part, or to engage in any economic activity in the Kingdom.

## Subject to provisions of any other legislation :

- Any non-Jordanian person may invest in the Kingdom by ownership, partnership or shareholding according to foundations and conditions to be determined in accordance with a regulation to be issued for this purpose, provided that the economic activities and the percentage of partnership or shareholding permitted to the non-Jordanian investor should be provided for in such regulation.
- The non-Jordanian investor shall be afforded the same treatment as Jordanian investor.
- The investor has the right to manage the project in the manner he/she deems appropriate, and through the person(s) chosen by the investor for this purpose.
- The non-Jordanian investor shall be entitled to remit abroad without delay, and in a convertible currency, the invested capital together with any returns and profits accrued, the proceeds of liquidation of the investments as well as the proceeds of the sale of all or part of the project.
- Non-Jordanian technicians and administrators working in any project may transfer their salaries and remuneration abroad.
- Investment disputes between an investor of foreign capital and Jordanian governmental agencies shall be settled amicably. If no amicable settlement can be reached within a period not exceeding six months, either party may resort to litigation or may refer the dispute to the International Center for the Settlement of Investment Disputes (ICSID) .





## The Investment Law

- With approval of the Incentives Committee, the investor may re-export the exempted fixed assets.
- With approval of the Incentives Committee, the investor may sell the exempted fixed assets or relinquish them to another investor or project not covered by the provisions of this law after paying the fees and taxes due on such fixed assets.

### **The One Stop Shop (OSS)**

Jordan Investment Board proudly launched its One Stop Shop OSS service. This service aims at providing licensing and registration services to new projects.

The OSS is all you need to get your business up and running. It combines representatives located at JIB from most of the governmental agencies dealing with the registration and licensing of projects.

## **Jordan , your gateway to major world marketrs**

### **Jordan Free Trade Agreements**

- **Greater Arab Free Trade Area (GAFTA).**
- **Jordan – EU Partnership Agreement.**
- **Jordan – USA FTA.**
- **Jordan – Turkey FTA.**
- **Jordan – EFTA Free Trade.**
- **Agadir Agreement.**
- **Jordan – Singapore FTA.**
- **Jordan – Canada FTA.**

# Treaties For The Prevention Of Double Taxation

**Arab Countries:** Algeria, Bahrain, Egypt, Kuwait, Lebanon, Morocco, Oman, Syria, Tunisia, and Yemen.

**Non-Arab Countries:** Azerbaijan, Bulgaria, Canada, Croatia, France, Holland, India, Indonesia, Iran, Malaysia, Pakistan, Poland, Romania, South Korea, Turkey, United Kingdom and Ukraine.

## Jordan and the World Trade Organization

Within the context of its accession to the World Trade Organization (WTO) which came into effect on April 11th, 2000, Jordan undertook several reforms to bring its economic policies and trade regime into compliance with the WTO agreements. Special legislations of intellectual property rights were amended and drafted. Laws of Standards and Metrology, Agriculture, National Production Protection, General Sales Tax, Customs, and Import and Export were amended, as well as non-Jordanians' Investments Regulations.

On the other hand, and as a result of joining WTO, Jordan liberalized its services sectors providing market access to foreign investors and service providers of WTO Members in accordance with Jordanian laws and regulations. Whereas in goods' trade, Jordan committed to reduce customs tariffs to reach 30% as a maximum in 2000, to be reduced to 25% in 2005, and to reach 20% in 2010 with the exclusion of a limited number of goods. Customs tariffs on vehicles, some electrical appliances and some agricultural products such as tomatoes, cucumbers and olive oil are bound at 30%, while the maximum tariff on certain agricultural products such as citrus products, grapes, garlic and figs, would not exceed 50% in specific calendar months.

شركة الأوراق المالية  
JORDAN SECURITIES COMMISSION

بورصة عمان  
سوق الأوراق المالية  
AMMAN STOCK EXCHANGE

مركز الأوراق المالية  
FINANCIAL MARKET CENTER

## The Amman Stock Exchange (ASE)

The Amman Stock Exchange (ASE) was established on March 11, 1999, as a result of the restructuring process of the Jordan Capital Market. The three institutions established include the Amman Stock Exchange, Jordan Securities Commission (JSC) and the Securities Depository Center (SDC).

The ASE, a private sector, non-profit organization with legal and financial independence, is in charge of running the market. A similar private sector, non-profit organization, the SDC, oversees settlements and maintenance of ownership records. Regulation is in the hands of a government body, the JSC, which has clearly defined powers to develop and monitor the market. The ASE observes international standards of fair practice in the orderly transaction conduct of the market. The Amman Stock Exchange has two separate tiers of stocks that are traded. The two-tier system was established, so that an investor can readily know the status of the company he wants to invest in and the requirements it has fulfilled. It also promotes the transparency of the ASE and the companies traded on the stock exchange.

There are certain strict requirements that must be met before a company can be listed in the first market of the ASE. Those requirements include that the company must have made a pre-tax profit for at least two out of the three years before being listed. Also the company must fulfill certain requirements concerning the free-float and number of shareholders in the company. In addition, investors must be able to easily sell their stocks through the stock exchange. Companies can list their shares at the Second Market as soon as they obtain the right to start their operations from the Ministry of Industry and Trade. Securities are electronically traded on the ASE. With a capitalization of more than JD19.0 billion, the ASE is one of the largest stock markets in the region that permits foreign investment. The exchange currently has 778,760 shareholders, 48.8% of the shares are held by Jordanian corporate and individual investor, foreign investors account for 51.2% of share ownership.

## Jordan Industrial Zones

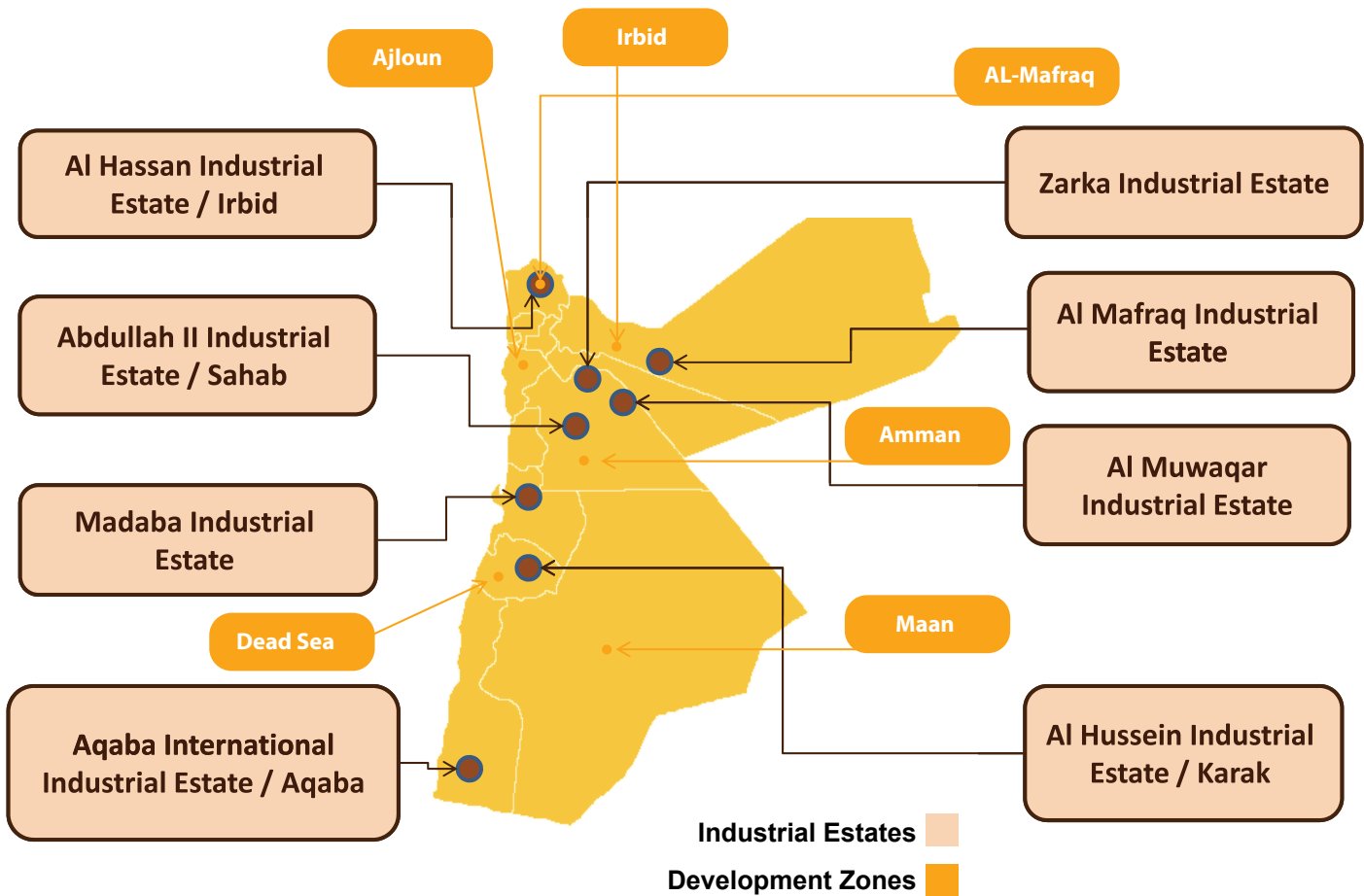
Industrial Estates offer cost-effective land and factory buildings, a reasonable cost of utilities (including power and water), a comprehensive network of roads and infrastructures, the availability of a wide range of ancillary services and an effective One Stop Service Shop. Projects in industrial zones are granted exemptions of income and social services tax as offered to the Development Zones, total exemptions from buildings & land tax, exemptions or reduction on most municipality' fees, in addition to all other exemptions according to Investment Promotion Law.

Jordan Industrial Estates Corporation (JIEC) is a semi- governmental corporation, established in 1980 with a public and private ownership. Its catalytic role is to contribute to the development of Small & Medium Industries (SMIs) by providing comprehensive and integrated industrial estates.

## Industrial Estates in Jordan

1. Abdullah II Ibn Al-Hussein Industrial Estate.
2. Al-Hassan Industrial Estate – QIZ.
3. Al-Hussein Bin Abdullah II Industrial Estate – QIZ.
4. Ad-Dulayl Industrial Park – QIZ.
5. Al Tajamouat Industrial City - QIZ.
6. Gateway Park – QIZ.
7. Cyber City – QIZ.
8. Al-Salt Industrial Estate.
9. Al-Mafraq Industrial Estate.
10. Aqaba International Industrial Estate.
11. Ma'an Industrial Estate.
12. Al Hasa Industrial Estate.
13. Tafila Industrial Estate.
14. Muaqar Industrial Estate.





## Industrial Estates in Jordan

**Abdullah II Ibn Al-Hussein Industrial Estate - Sahab** - is a total area equals Premier industrial enabled infrastructure in the region catering for numerous manufacturing of large, small to medium enterprises 2,530 dunums.

**Al Hassan Industrial Estate- Irbid (QIZ)** - It is the first Qualified Industrial Zone (QIZ) worldwide The Estate was established in 1991 on an area totaling 1,178 dunums, of which 1,005 dunums were developed. The first creative center for fostering innovative and creative ideas was established in the Estate. It is the second project for the Industrial Estates Corporation and the second largest estate in terms of the size of investments that won the distinction of being the first qualified industrial estate in the world

**Al-Hussein Ibn Abdullah II Qualified Industrial Estate - Karak (QIZ)** QIZ over a total area of 1,856 dunums, of which 786 dunums were developed. its location in the southern part of the Kingdom, the fact that it covers all its industrial activities, and that it is adjacent to the highway connecting the Estates of the north and the south.

**Aqaba Industrial International Estate- Aqaba (QIZ)** Estate was established on an area of 2,750 dunums, of which 570 dunums were developed in the first stage and 490 dunums were allocated as a net area suitable for investment. Preparations are currently underway to start the execution of the second phase on an area of 700 dunums to answer the growing demand on industrial investment in Jordan. The Estate was the first partnership with the private sector with respect to administration, development, and marketing.



## Services provided by The Industrial Estates

Customs center.

Vocational training center.

Labor office.

Civil defense.

Banks and temporary bonded.

Free zone.

Gas station.

Maintenance workshop.

Customs clearance offices.

Clinic.

Food Manufacturing.

Metal Modeling.

Pharmaceutical.

Plastic products.

Furniture.

Cosmetics.

Food and juices.

Machinery.

Medical.

Engineering and electronics.

Construction and building materials.



HANSA AFRICA  
HAMBURG

MAERSK  
MSC  
HAMBURG

## Aqaba Special Economic Zone (ASEZA)

The Aqaba Special Economic Zone (ASEZA) was inaugurated in 2001 as part of the Jordanian government efforts in formulating an attractive investment environment and to ensure Aqaba's commercial and cultural prominence continues into the twenty – first century. With this transformation, Aqaba is recalled (ASEZA) pouring its historical role as a regional hub for trade, tourism, and culture.

(ASEZA) is a private sector-driven development initiative that maximizes private sector participation in a duty free, tax-advantaged and flexible regulatory operations environment providing a model approach to environmentally sustainable development and governance, a unique tourist destination on the Red Sea with a duty free shopping oasis accompanied with a high quality of life.

### **Incentives offered by ASEZA**

- 5% income tax on the net profit.
- Exemption from social services tax.
- Exemption from annual land and building taxes on utilized property.
- Exemption from taxes on distributed dividends and profits.
- Duty-free import of goods in commercial quantities.
- No foreign equity restrictions on investments.
- No foreign currency restrictions.
- Full repatriation of profits and capital.
- Streamlined labor and immigration procedures through the one-stop-shop.
- 100% foreign ownership.
- Up to 70% foreign labor.
- Full guarantees on rights and ownership.

## Jordan Development Zones

### Jordan Development Zones

The Development Zones established in key locations across the country offer specialized business clusters, reliable infrastructure, and proximity to resources and markets.

- A.** Notwithstanding anything to the contrary contained in the Income Tax Law in force, the income tax shall be (5%) of the taxable income of the Registered Establishment realized from its economic activity inside the Development Area.
- B.** Notwithstanding anything to the contrary contained in the Income Tax Law in force, the income tax shall be (5%) of the taxable income of the registered Establishment realized from its economic activity in the industrial sector.
- C.** Upon recommendation of the Council, the Cabinet may exclude from provisions of this Article any Development Area that has been originally an industrial city organized under the Jordan Industrial Estates Corporation Law No. (59) of 1985, and the Special Industrial Estates Establishment Regulation No. (117) of 2004.
- D.** The registered Establishment shall benefit from any operative tax exemptions in the Kingdom concerning the exports of goods and services to outside of the Kingdom.
- E.** Provisions set out in Paragraph (A and B) of this Article shall not apply to the income realized by banks and telecommunications companies that have individual licenses, as well as the financial brokerage companies, and financial companies including the companies that exercise exchange, financing or financial leasing business, and consultation & financial and tax audit companies, transport companies (sea transport, railways, and road freight transport), insurance and reinsurance companies, basic mining and extraction industries, generation and distribution of electricity, and transport and/or distribution and/or extraction of water, gas, and oil derivatives using the pipelines.

## Jordan Development Zones

- F.** The general tax provided for in the General Sales Tax Law Shall be reduced to (zero) as to the goods and services purchased or imported by the Registered Establishment for the purposes of exercise of their economic activity inside the Development Areas, and the Registered Establishment shall not be obliged to submit any guarantee thereof to the Income & Sales Tax Department.
- G.** The goods providers registered under the General Sales Tax Law in the Kingdom may demand refunding the general sales tax that has been previously paid for the goods sold to the Registered Establishments existing in the Development Area.
- H.** The goods and services originated in the Development Area and are sold to the remaining regions of the Kingdom shall be subject to the general sales tax.
- I.** (7%) sales tax shall be collected from value of sale of services to be determined pursuant to the regulation issued for this purpose when being sold for consumption in the Development Area.
- J.** Sales of goods that are subject to the special tax including vehicles, tobacco and its products, alcohol and beer shall be subject to the sales tax and custom duties collected in the Kingdom when being sold for consumption in the Development Area.
- K.** The goods consumed in the Development Areas or the Free Zones shall be subject to the general sales tax and the custom duties unless being consumed for the purpose of exercise of the economic activities by the Registered Establishments.
- L.** The Registered Establishments that exercise and economic activity in the Development Area; the materials, equipment, machines, supplies, and construction materials in connection with building, constructing, preparing and furnishing all types of projects established by such Registered Establishments in the Development Area, including the spare parts required for their permanent maintenance, and the goods imported to the Development Area for the exercise of the economic activity or exported by such economic activity to outside of Kingdom, shall be exempted from the custom duties, except for exports fees, service fees, and the wages payable in accordance with the legislation in force.



# Jordan Development Zones

## 1- The King Hussein Bin Talal Development Area (KHBTD) – Mafrq

Situated 60km northeast of the capital Amman, at the nexus of a modern highway network connecting Jordan, Syria, Iraq and Saudi Arabia; KHBTD is stretched across 21 km<sup>2</sup> and positioned at a unique strategic geographical location for industrial production and a regional transportation hub for onward movement of goods from and throughout the region and the world, with an adjacent functional airport and a future railway system.

### KHBTD sector opportunities:

- **Light and medium industry sector:**
  - Food and beverage.
  - Pharmaceutical and medical supplies.
  - Light chemicals.
  - A wide range of other manufactured products.
- Logistics Sector.
- **Residential, Community Services and Commercial Sector.**

## 2- Ma'an Development Area (MDA)

Situated 218km south of Amman, at the largest Governorate in Jordan Ma'an, MDA builds on the area's natural resources including Basalt, Kaolin and Silica and its distinguished location near the Saudi border and on the highway leading to Iraq and GCC markets. MDA is made up of four different yet complementary clusters that will cover approximately 9 km<sup>2</sup> of surface area:

- **Industrial Park**
- **Residential Community**

# Jordan Development Zones

- Skill Development Center
- Hajj Oasis

The four clusters have been conceived in a way to create synergy between them and leverage the unique attributes of each, while being tailored to the needs of local and regional markets, rendering MDA an all-inclusive and unique area offering some of the region's most advantageous incentives to investors.

## 3- Irbid Development Area (IDA)

Located in Jordan's fertile north adjacent to the kingdom's leading scientific institutions and one of the Middle East's foremost ICT and health care universities, and stretched over a 3.2 km<sup>2</sup> area, 20Km east of Irbid city and 80km north of the Jordanian capital Amman.

### IDA Sectors opportunities:

- Service Industry (Information and Communication Technology).
- Health Care.
- Research and Development.
- Residential and Mixed Use Commercial.

## 4- Dead Sea Development Zone

Located 55Km from the capital Amman and on the shores of one of the most spectacular and historical landscapes on Earth, the Dead Sea Development Area is a unique site presenting

one-of-a-kind property development and investment opportunities. The Area encompasses approximately 40 Km extended on the dramatic shoreline of the north and east coasts of the Dead Sea and is bound by mountains and steep terrain to the east and the Jordan river valley to the north.

The Area enjoys good infrastructure, a major highway link to Amman and unsurpassed regional attractions. The Area's appeal is not only to international tourists seeking cultural, historical, medical or recreational opportunities, but to Jordanians interested to make short visits to the area and take advantage of all their country has to offer.

**Investment opportunities are focused in the tourism and hospitality sector:**

- 4 and 5-star international resort properties and hotels.
- 3-star accommodations • Eco-lodges and other facilities.
- Residential developments and community services.
- Recreational facilities, spas, restaurants, conference centers and other attractions.

## **5- Jabal Ajloun Development Zone**

Situated in Ajloun, Jordan's newest northern exciting destination, set amid iconic pine forests and olive groves, stretching over approximately 2200 Dunums at an altitude of 1239 meters above sea level, only 45 minutes away from the capital Amman; Jabal Ajloun Development Zone offers boundless opportunities inspired by its God's Green nature and distinguished unmatched East Med climate.

**Jabal Ajloun Resort Town Opportunities:**

- Eco - Tourism Developments.
- Hotels, Spas and Resort amenities.
- Community style living; varied real estate developments.
- Retail and services.

## **6- Business Park Development Area – Dabouq**

Located in an outstanding city location on Amman's main corridor with quick access to all city amenities, Business Park Development Area is destined to become a sustainable and enduring mixed-use city district that will provide future growth and development for Amman and Jordan. It offers international standard office environments with high quality residential developments, and a vast array of dining entertainment and leisure opportunities for residents, workers, visitors and tourists.

### **Sector Opportunities:**

- Professional Services.
- O/NGO's.
- Medical and Health.
- Education.
- Leisure & Entertainment.
- Safety, Security and Compliance.
- Media.
- Residential.

# Free Zones in Jordan

## Public Free Zones

There are 5 Public Free Zones in Jordan in addition to 32 Private Free Zones licensed by the Free Zones Corporation in different areas in the Kingdom

### Zarqa Free Zone

- Location	Zarqa Governorate / (35) kms away from Southeast
- Area	(5200 ) Dunums
- Date of establishment	1983
- Investement activities	Industrial , Commercial , Service and Touristic

### Sahab Free Zone

- Location	Sahab City/King Abdulla II Industrial Estate/ Amman
- Area	(70 ) Dunums
- Date of establishment	1997
- Investement activities	Industrial , Commercial , Service and Touristic

### Queen Alia International Airport Free Zone

- Location	Queen Alia International Airport/Amman Governorate
- Area	( 35 ) Dunums
- Date of establishment	1998
- Investement activities	Industrial , Commercial , Service and Touristic

## Free Zones in Jordan

### Al-Karak Free Zone

<b>Location</b>	Al-Hussein Bin Abdulla II Industrial Estate
<b>Area</b>	(150) Dunums
<b>Date of establishment</b>	2001
<b>Investement activities</b>	Industrial , Commercial , Service and Touristic

### Al-Karama Free Zone

<b>Location</b>	Al-Mafraq Governorate / (360) kms away from east
<b>Area</b>	(2000) Dunums
<b>Date of establishment</b>	2004
<b>Investement activities</b>	Industrial , Commercial , Service and Touristic



## Projects at The Free Zones enjoy the following exemptions

### **The Registered Establishment that exercises an economic activity in the Free Zone shall be:**

- A.** Exempted from income tax on the profits realized from the following activities:
  1. Exporting goods services to outside of Jordan.
  2. Transit trade.
  3. Selling and transferring goods inside boundaries of the Free Zone.
  4. Providing and supplying services inside the Free Zone.
- B.** Exempted from income tax on salaries and allowances of non-Jordanian the projects executed in the Free Zone.
- C.** Exempted from custom duties and all taxes and fees on the goods exported from the Free Zone to markets other than the local market, and on the goods imported to the Free Zone including materials, equipment, machines, supplies, and construction materials in connection with building, constructing, preparing and furnishing all types of projects established by such Establishments in the Free Zone including the spare parts required for their permanent maintenance. The exemption shall not include the service fees.
- D.** Granted exemptions from the licensing fees, buildings and lands taxes, and revenues of paving, organization and improvement concerning the buildings and constructions established in the Free Zone.
- E.** Be permitted to transfer the foreign currencies and their profits from the Free Zone in accordance with provisions of the legislation in force.
- F.** Be permitted to move the machines, equipment, materials, goods, and supplies required to establish, operate or expand any project and the profits realized thereof to outside of the Kingdom in accordance with provisions of the legislation in force.



جمعية رجال الأعمال الأردنيين  
Jordanian Businessmen Association





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