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**COUNTRY
REPORT** JORDAN

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1. General information: The Hashemite Kingdom of Jordan

1.1 Geography

- Area: 89.342 km²
Slightly smaller in area than the country of Portugal, Jordan, officially the **Hashemite Kingdom of Jordan** is bounded to the north by [Syria](#), to the east by [Iraq](#), to the southeast and south by [Saudi Arabia](#), and to the west by [Israel](#) and the [West Bank](#). The West Bank area (so named because it lies just west of the Jordan River) was under Jordanian rule from 1948 to 1967, but in 1988 Jordan renounced its claims to the area. Jordan has 16 miles (26 km) of coastline on the [Gulf of Aqaba](#) in the southwest, where [Al-ʿAqabah](#), its only port, is located. The Gulf of Aqaba separates Jordan from [Egypt](#).
- Capital: Amman is Jordan's capital and largest city, as well as its economic, political, and cultural center.

1.2 Population

- Total Population: The current population of Jordan in 2022 is 10,300,869, a 0.31% increase from 2021. The population of Jordan in 2021 was 10,269,021, a 0.65% increase from 2020.
- Density: 115 per Km² (298 people per mi²).
- Urban Population: 91.5 % of the population is urban (9,332,603 people in 2020).
- Ethnic Origins: Arabic (99%), Armenian, Circassian.
- An estimated 1.8mn Jordanian citizens are of Palestinian origin.
- Religion: Muslim (82%, 93% of which Sunni), Christian (6%).
- Population of main cities: Zarqa (792,665), Irbid (307,480), Russeifa (268,237) Wadi as Sir (181,212).

1.3 Language

- Official Language: Arabic
- Other languages: Adhyge, Domari, Armenian
- Business Language(s): Arabic, English

1.4 Government

- Parliamentary Constitutional Monarchy
- Head of state: King ABDULLAH II ibn Hussein al-Hashemi
- Prime Minister: Bisher Al-Khasawneh
- Next elections: 2024, legislative

1.5 Currency

- National Currency: Jordanian Dinar (JOD)

Jordan Market Overview

Jordan has begun its recovery from the shock of COVID-19, fully reopening its economy and returning to in-person learning in September 2021 in the wake of an aggressive lockdown at the outset of the pandemic (March 2020–September 2020) and an intensive COVID-19 vaccination campaign. Jordan's economy has weathered the crisis better than many of its peers, contracting by only 1.6% during 2020 and registering modest real GDP growth of 0.3% during Q1-2021. This is in part due to timely fiscal and monetary stimuli by the government, as well as improvement in terms of trade caused by the drop in oil prices. Unemployment is on the rise, however, reaching 25% in Q1-2021, with youth unemployment rates reaching an unprecedented 48.1% and women's labor force participation at 14%, one of the lowest in the world. Central government debt rose to almost 106.3% of GDP during 11M-2020, almost 10 percentage points of GDP higher than at end-2019.

Sitting at the center of a volatile region, Jordan continues to play a role as an anchor for regional stability and for the global public goods it provides by hosting refugees and promoting cross-border regional cooperation and trade. It hosts an estimated 1.3 million Syrian refugees, who represent 13% of its total population of 10.2 million and is globally one of the first countries to pioneer a development-focused refugee response model. Its response to the impact of the Syrian refugee crisis is combined with accelerating Jordan's own progress and promoting refugee access to employment and services. Nonetheless, the COVID-19 crisis has exacerbated existing structural weaknesses in the country's economy, brought unresolved social challenges to the fore, and put pressure on the country's fragile macroeconomic stance. Over the past decade, Jordan's GDP growth and its employment growth both averaged 2.4% per annum, insufficient to keep up with the country's young workforce. Weak economic performance can be traced to the Syria crisis, which began in 2011 and which has had a negative effect on Jordan's growth, poverty reduction, and debt accumulation. Public and private consumption have grown much faster than public and private investment, and the labor market is highly segmented. Therefore, Jordan is on a declining investment trend and its trade balance has deteriorated.

For a rapid, resilient recovery, Jordan needs carry out the reforms that would enable an investment-driven model of growth. The World Bank Group has been a key partner in its reform agenda, based in the Five-Year Reform Matrix the government developed with the World Bank and other partners. Released in August 2021, Jordan's Economic Priorities Program (EPP) for 2021–2023 prioritizes investment and business environment reforms and promotes programs and financing in the sectors needed most for investment and job creation. Jordan can seize the opportunity of recovery efforts and use the EPP to tackle structural challenges in the economy and conclude the implementation of these reforms.

Table 1: Jordan Country Profile (World Development Indicators Database, The World Bank, 8.04. 2022)

INDICATOR	1990	2000	2010	2020
Population, total (millions)	3.57	5.12	7.26	10.20
Population growth (annual %)	4.8	1.8	5.2	1.0
Surface area (sq. km) (thousands)	88.8	88.8	89.3	89.3
Population density (people per sq. km of land area)	40.4	58.1	81.8	114.9
Poverty headcount ratio at national poverty lines (% of population)	..	..	..	15.7
Poverty headcount ratio at \$1.90 a day (2011 PPP) (% of population)	2.7	1.0	0.1	..
GNI, Atlas method (current US\$) (billions)	4.55	8.57	25.59	43.96
GNI per capita, Atlas method (current US\$)	1,27	1,67	3,52	4,31
GNI, PPP (current international \$) (billions)	14.83	30.77	68.15	105.35
GNI per capita, PPP (current international \$)	4,16	6,01	9,39	10,33
PEOPLE				
Income share held by lowest 20%	6.0	7.2	8.2	..
Life expectancy at birth, total (years)	70	72	73	75
Fertility rate, total (births per woman)	5.5	4.1	3.6	2.6
Adolescent fertility rate (births per 1,000 women ages 15-19)	53	37	29	26
Contraceptive prevalence, any methods (% of women ages 15-49)	35	56	59	52
Births attended by skilled health staff (% of total)	87	100	100	100
Mortality rate, under-5 (per 1,000 live births)	36	27	20	15
Prevalence of underweight, weight for age (% of children under 5)	5.1	3.7	1.9	..
Immunization, measles (% of children ages 12-23 months)	87	94	98	87
Primary completion rate, total (% of relevant age group)	92	94	77	82
School enrollment, primary (% gross)	97.6	94.6	81.9	80.4



School enrollment, secondary (% gross)	73	82	80	68
School enrollment, primary and secondary (gross), gender parity index (GPI)	1	1	1	1
Prevalence of HIV, total (% of population ages 15-49)	0.1	0.1	0.1	0.1
ENVIRONMENT				
Forest area (sq. km) (thousands)	1.0	1.0	1.0	1.0
Terrestrial and marine protected areas (% of total territorial area)	..	..	..	1.8
Annual freshwater withdrawals, total (% of internal resources)	137.3	108.3	124.5	132.5
Urban population growth (annual %)	6.4	1.8	6.6	1.2
Energy use (kg of oil equivalent per capita)	918	950	978	..
CO2 emissions (metric tons per capita)	2.78	3.18	2.78	2.48
Electric power consumption (kWh per capita)	934	1,29	1,845	..
ECONOMY				
GDP (current US\$) (billions)	4.16	8.46	27.13	43.70
GDP growth (annual %)	-0.3	4.2	2.3	-1.6
Inflation, GDP deflator (annual %)	14.2	-0.4	8.1	-0.3
Agriculture, forestry, and fishing, value added (% of GDP)	7	2	4	5
Industry (including construction), value added (% of GDP)	24	22	26	24
Exports of goods and services (% of GDP)	60	42	47	24
Imports of goods and services (% of GDP)	90	69	67	42
Gross capital formation (% of GDP)	31	22	31	12
Revenue, excluding grants (% of GDP)	25.3	25.1	22.1	22.0
Net lending (+) / net borrowing (-) (% of GDP)	-3.4	-2.0	-4.9	-3.3
STATES & MARKETS				
Time required to start a business (days)	..	80	13	13

Domestic credit provided by financial sector (% of GDP)	..	..	..	..
Tax revenue (% of GDP)	18.0	19.0	15.5	14.8
Military expenditure (% of GDP)	7.8	6.3	5.9	5.0
Mobile cellular subscriptions (per 100 people)	0.0	7.6	91.2	68.5
Individuals using the Internet (% of population)	0.0	2.6	27.2	66.8
High-technology exports (% of manufactured exports)	..	..	3	2
Statistical Capacity score (Overall average)	..	..	77	78
GLOBAL LINKS				
Merchandise trade (% of GDP)	88	77	83	57
Net barter terms of trade index (2000 = 100)	94	100	86	76
External debt stocks, total (DOD, current US\$) (millions)	8,333	11,063	16,894	38,016
Total debt service (% of exports of goods, services and primary income)	24.4	20.1	5.8	27.6
Net migration (thousands)	412	-94	1,057	51
Personal remittances, received (current US\$) (millions)	499	1,845	3,623	3,902
Foreign direct investment, net inflows (BoP, current US\$) (millions)	38	913	1,688	718
Net official development assistance received (current US\$) (millions)	951.7	554.2	954.8	2,797.2

2. Economy

2.1. Economic and Political Overview

The Jordanian economy, severely impacted by the refugee influx and grown increasing dependence on international grants that followed the Syrian and subsequent refugee crisis, had to deal with the global effect of the COVID pandemic since 2020. Consequently, its GDP growth amounted to -1.6% in 2020, from +2% in 2019. Nevertheless, growth came back in 2021 with a 2% increase of the country GDP (IMF, October 2021). According to the updated IMF forecasts from October 2021, GDP growth is expected to remain at 2% this year and then to 3.1% in 2023, subject to the post-pandemic global economic recovery.

Jordan is one of the few countries in the Middle East that does not rely as much on its natural resources due to scarcity of hydrocarbon and water resources. Nevertheless, it is also one of the most committed countries to financial reforms within its region (privatisation, tax reforms, opening of the banking sector, etc.). Jordan has implemented reforms under the terms of the extended fund facility that it negotiated with the IMF in 2016 and the subsequent fiscal consolidation policies brought down the government budget balance to a deficit of 3.2% of GDP in 2019, 2.9% in 2020 and 2.4% in 2021, from 3.6% in 2018. This trend is expected to continue with government balance anticipated to fall to a deficit of 1.6% by 2022 but then -2.2% in 2023. The IMF estimates that public debt was 88% of GDP in 2020 and 90.9% in 2021 and will stabilize in 2022 (90.6%) and should reduce to 88.4% in 2023. At the same time, Jordan renewed its agreement with the IMF at the start of 2020 on a two-year arrangement under the extended fund facility for around USD 1.3 billion. Jordan adopted a comprehensive IMF-backed income tax law at the end of 2018, which provides for a gradual increase of corporate tax rates from 2019 to 2024. Industrial, pharmaceutical and clothing activities, that currently benefit from reduced tax rates, will be imposed at the same rate as the rest of businesses as of 2024. However, the effective corporate tax is even higher as Jordan introduced at the start of 2019 a new national contribution tax on the taxable income of all corporations in Jordan, at varying rates from 1% to 7%, as part of its efforts to pay off the national debt. While Jordan's macroeconomic dynamics are set to improve, global financing conditions and regional instability continue to challenge the economic growth, limiting the scope of foreign investment. Jordan's current account deficit, 8% of GDP in 2020, and 8.9% in 2021 is expected to narrow to 4.4% of GDP in 2022 and 3.2% in 2023. The country's external position remains fragile given considerable financing requirements. Inflation fell to 0.4% in 2020 from 0.7% a year earlier but increased to 1.6% in 2021 and is expected to pick up to 2% in 2022 and 2.5% in 2023 amid tight monetary policies and sluggish demand.

Modest economic growth, high unemployment and limited job creation raise concerns about the extent of poverty reduction that can be achieved. Despite low economic contraction in 2020, household recovery may be slow and uneven. Larger households, young, female, informal workers and those in interaction-intensive services sectors will likely see depressed incomes for longer (World Bank, 2022). In 2022, the country's most immediate challenge remains related to the economic, social and public health impacts of the COVID-19 pandemic. In addition to the humanitarian and financial crisis caused by the influx of Syrian refugees, Jordan also has to deal with a high unemployment rate, that rose further to 22.7% by the end of 2020 (IMF, 2021), a high poverty rate and high levels of inequality. In the long-term, the Jordan Unemployment Rate is projected to trend around 24% in 2022 and 20% in 2023, according to the Trading Economics econometric models (Trading Economics, 2022). Unemployment affects university degree holders and women much more negatively, further contributing to inequalities. However, Jordan's development has benefited from international aid as the country has been able to become a central

element of stability in the Near and Middle East, ensuring peace on the borders it shares with its neighbouring countries.

Main Political Parties: Jordan is an absolute monarchy and the parliament maintains a limited role in governance of the country. Political parties were not legalised in the country until 1992. The Islamic Action Front (IAF), a right-wing opposition force and faction of the Muslim Brotherhood in Jordan, dominates political spheres and obtained 15 seats in the 2016 elections, after having boycotted the previous two in 2010 and 2013, but only 5 seats at the latest election. Jordanian politics tend to be influenced by tribal or familial politics rather than by formal political parties. Some major parties include:

- Islamic Centrist Party: center, moderate, promotes social reform
- Zamzam: center-right, Islamic democracy
- National Current Party: center, nationalist

Executive Power: The head of state is the King. The monarchy is hereditary. The King enjoys executive powers. The King signs and executes all laws. He appoints and dismisses all judges by decree, approves amendments to the constitution and has the right to declare war. The King appoints the Prime Minister as head of the government, having no fixed term of office. The cabinet, led by the Prime Minister, is appointed by the King.

Legislative Power: The legislature is bicameral in Jordan. Its parliament consists of: the Senate having 65 members who are appointed by the King to serve four-year terms; and the House of Representatives having 130 members elected by popular vote on the basis of proportional representation to serve four-year terms. The King's power of veto may be overridden by a two-thirds vote of both houses of the National Assembly.

Table 2: (Jordan- Economic Forecasts - 2021-2023 Outlook)

Main Indicators	2019	2020	2021 (e)	2022 (e)	2023 (e)
GDP (billions USD)	44.57	43.76e	45.34	47.50	50.20
GDP (Constant Prices, Annual % Change)	2.0e	-1.6e	2.0	2.7	3.1
GDP per Capita (USD)	4,426e	4,286	4,394	4,565	4,793
General Government Balance (in % of GDP)	-3.2	-2.9	-2.4	-1.6	-2.2
General Government Gross Debt (in % of GDP)	78.0	88.0e	90.9	90.6	88.4
Inflation Rate (%)	0.7	0.4	1.6	2.0	2.5
Unemployment Rate (% of the Labour Force)	19.1	22.7	0.0	0.0	0.0
Current Account (billions USD)	-0.95	-3.49e	-4.05	-2.11	-1.62
Current Account (in % of GDP)	-2.1	-8.0e	-8.9	-4.4	-3.2

Source: IMF – World Economic Outlook Database, October 2021

2.2. SWOT Analysis

Strengths

- King Abdullah remains popular and has the support of the military and security services.
- Relatively sound relations with the EU, U.S., IFIs and GCC countries which provide political, financial and technical support.
- Significant producer of phosphates and potash.

Weaknesses

- Geographic location and recent history provide a negative political aspect of the country's borders.
- Socio-political differences between Trans-Jordanians and Palestinians (approximately 60% of the population) with a significant proportion of the latter group largely disenfranchised.
- Social pressures result from high unemployment.
- Workers' remittances, particularly from the GCC area, and foreign aid distributions from the same source are subject to prevailing politics and the vagaries of international oil prices.
- Lack of natural resources, other than phosphates.
- Large fiscal and current account deficits.

2.3. Main sectors of industry

Agriculture represented 5.2% of the GDP and employed 2.5% of the workforce in 2021 (World Bank, 2022). The lack of water creates an obstacle to agricultural development. The principal crops are wheat, barley, lentil, tomato, cucumbers, eggplant, citrus fruits, olives, strawberries and grapes. Phosphates and potassium are the only natural resources of the country. Six uranium deposits, accounting for 3% of the world's reserves, were discovered in recent years and the country has signed around 20 international agreements in the field of atomic energy.

Industry contributed 23.9% of the GDP and employed around 24.5% of the workforce in 2021 (World Bank, 2022). Mining and quarrying (mainly phosphate and potash) are among the major industries. The manufacturing sector is rather limited and dominated by textiles, a sector presently in a state of crisis due to international competition.

The services sector, which employed 73.1% of the workforce, contributed 61.6% of the GDP in 2022 (World Bank, 2022). Communication technologies and financial services are particularly active in the country. The sectors of distribution and tourism infrastructure also contribute substantially to GDP, although they experienced a slowdown in recent years. The construction and transport sectors are constantly expanding.

Table 3: Breakdown of Economic Activity By Sector

Breakdown of Economic Activity By Sector	Agriculture	Industry	Services
Employment By Sector (in % of Total Employment)	2.5	24.5	73.1
Value Added (in % of GDP)	5.2	23.9	61.6
Value Added (Annual % Change)	1.6	-2.4	-1.0

Source: World Bank, Latest available data (2021)

2.4. Investment

Global foreign direct investment (FDI) flows showed a strong rebound in 2021, up 77% to an estimated USD 1.65 trillion, from 929 billion in 2020, surpassing their pre-COVID19 level. FDI flows in developing countries increased by 30% but almost three quarters of the total increase in global FDI (USD 500 billion) was recorder in developed economies, with developing economies showing a more modest recovery growth. FDI inflows to West Asia and the Middle East increased by more than 49% in 2021 to 90 billion USD ([UNCTAD](#), January 2022).

Historically, the Jordanian economy has benefited from massive investment by the Gulf countries, which continued to skyrocket until 2006. However, since then FDI has declined due to the international economic crisis, followed by geopolitical instability. The situation was compounded by the health and economic crisis triggered by the Covid-19 pandemic. According to UNCTAD's [2021 World Investment Report](#), FDI inflows totalled USD 726 million in 2020, virtually unchanged from the previous year (USD 730 million). FDI to Jordan was diversified, with notable investments in manufacturing, real estate and services. The total stock of FDI was estimated at USD 36.5 billion in 2020. In order to boost FDI flows, the Government has planned large-scale infrastructure projects (water, transportation, nuclear energy) for which it needs foreign and private funds.

A project connecting the Dead Sea to the Red Sea was supposed to start in 2018, but was delayed because Jordan failed to reach an agreement with Israel on how to build the canal. The project was further delayed in 2019 because relations between Israel and Jordan soured on Palestine. Finally in June 2021, Jordan decided to cancel the joint project with Israel and the Palestinian Authority after years of stagnation of the plan.

Table 4: Foreign Direct Investment

Foreign Direct Investment	2018	2019	2020
FDI Inward Flow (million USD)	955	730	726
FDI Stock (million USD)	35,114	35,760	36,556
Number of Greenfield Investments*	13	26	7
Value of Greenfield Investments (million USD)	396	2,290	257

Source: UNCTAD, Latest available data

Strong points for FDI: The main advantages of Jordan are:

- Its political stability built around King Abdullah, who remains very popular and has the support of the army.
- Its geographical location and very good international relations (with the EU, the IMF, the Gulf monarchies and the United States), which allow it to have the financial, political and logistic support of the international community.
- A growth rate above the region's standards, favoured by a significant production of phosphate and potash and by a well-developed tourism sector.
- Control of public expenditure.
- Low cost and well-educated labour in the Arab world.
- Favourable business environment.
- Modern and well-connected infrastructure.
- Special economic zones across the country (either Development Zones or Free Zones).

Weaknesses: Jordan's main weaknesses in attracting FDI are:

- Political tensions in the region with the proximity of Iraq, Syria and Israel. On the domestic front, the massive influx of Iraqi refugees, added to the large presence of Palestinian refugees, is a risk factor for social cohesion.
- A very large structural trade deficit linked to its lack of natural resources and food products leading to a high dependence on external aid.
- Very high unemployment rate (19.1% in 2019 - Jordan's Department of Statistics, latest data available) that fuels social tensions.

Government Measures to Motivate or Restrict FDI: Jordan, under King Abdallah's leadership, has developed a progressive economic liberalisation policy that favours foreign investment. The special economic areas, such as the [Qualified Industrial Zone \(QIZ\)](#) and the [Free Zone of Agaba](#) offer very advantageous tax regimes for companies. Also, the government has simplified the registration procedures for foreign companies by creating the [Jordan Investment Commission](#). Finally, the Jordanian State has launched a campaign of privatisation which has benefited public

and private partnerships in several sectors. Among the main measures set up by the government are:

- Income tax exemption for 10 years, variable depending on the place and sector of activity.
- Tax exemption on income generated from the export of goods and services.
- Repatriation of capital, profits and salaries without charges.

The Jordan Economic Growth Plan 2018-2022 will put Jordan on a path of sustainable growth and double Jordan's economic growth, at a minimum, according to a report released by the Economic Policy Council. Furthermore, based on Jordan's "Vision 2025", the economic growth plan is expected to gradually rise from 6.5% in 2021 to 7.5% in 2025. This measure seeks to boost Jordan's economic growth. It is effectively supported by the Jordanian government, which has been cutting bureaucracy and paperwork, improving its economic legislative environment and harmonizing its economic operations.

2.5. Taxation

Company Tax: 20% (21% with the national contribution tax).

Tax Rate for Foreign Companies: Resident corporations are subject to corporate income tax on their Jordan-source income, unless an income is raised from sources that originate and relate to Jordanian deposits and funds, in which case this income would be taxed at a rate of 10%.

Non-resident corporations are taxed through withholding tax. Branches of foreign companies are taxed in Jordan at the prevailing corporate tax rates. Foreign branches of Jordanian resident companies are taxed at a fixed rate of 10% of net income.

Capital Gains Taxation: Capital gains are tax-exempt, except for those arising from depreciable assets, the sale of shares in a legal entity and the sale of shares in IT companies that occur after 15 years from the date of their establishment or after 1 January 2019, whichever is earlier.

Main Allowable Deductions and Tax Credits: Amortisation of tangible and intangible assets is tax-deductible. Goodwill can also be deducted. The Jordanian tax code does not include any provisions for start-up costs, but these can usually be deducted in the first year of business activity.

Interest charges (a 3:1 debt-to-equity ratio applies to interest paid on related party debt) and bad debt are generally deductible.

Donations to charitable organisations are deductible up to 25% of taxable income.

Fines are not deductible while taxes can be deducted from the tax base.

Insurance premiums, social security contributions, hospitality expenses, marketing, scientific research, development, and training expenses are deductible.

Tax losses incurred before 1 January 2015 may be carried forward indefinitely. The carryforward is limited to five years for losses incurred after 1 January 2015. Loss carryback is prohibited.

R&D expenditure can be deducted from taxable income, as well as investments that comply with energy efficiency objectives. 300% of the direct costs for R&D are deductible from the tax base (capped at HUF 50 million) if the research activity is carried out jointly with a higher education institution, the Hungarian Academy of Sciences, or a research institute established by them.

Operating losses generated after the tax year 2015 can be carried forward for five years (up to 50% of the tax base calculated without losses carried forward), whereas the carryback of losses is not allowed. Taxes are usually deductible (not for the corporate income tax and the recoverable VAT).

Other Corporate Taxes: Property tax is calculated by local authorities based on the location and size of the property or, in some cases, the rental value of the property (15% on average).

Property transfer taxes amount to 9% of the selling price (5% for registration fees and 4% for sale).

Stamp duties are levied at a rate of 0.3% for private contracts and 0.6% for contracts with the state or public companies.

Social security contributions payable by the employer amount to 14.25% of salary (capped at JOD 3,338 per month).

3. Consumer Behavior and Characteristics

3.1. Consumer Behavior and Characteristics

Consumer Profile: With a GDP per capita of USD 4,360 (IMF, 2021) and a median age of 23.5 years (CIA World Factbook, 2020 est.), the average Jordanian consumer is young and less wealthy than their neighbours south across the Gulf region. Jordanian commercial activity is concentrated around Amman and in large provincial cities such as Aqaba, Zarqa and Irbid. There are considerable differences in consumer behaviour within the country. The local population of Amman has a more Westernised taste, especially young Jordanians with higher exposure to global brands and trends, while the inhabitants of the rest of the country have more traditional lifestyles and more conservative consumer habits. Jordan also has a relatively high level of economic disparity (Gini coefficient index of 33.7 points, 124th worldwide - CIA World Factbook, latest data available).

Consumer Behaviour: Jordan has been traditionally price-sensitive but consumer behaviour is changing rapidly to a point where most Jordanians spend more than their income (there is a JOD 1,000 gap between annual income and spending according to Jordan's Department of Statistics' latest data available). Also, young people (aged from 0 to 29 years), who represent 62.9% of the total population

(Jordan's Department of Statistics, 2019), are very fond of technological innovation and spend a considerable amount of their income on telecom products and services. A real and effective after-sales service is also considered to be important by most Jordanian buyers. In the field of clothing, brand names are much sought-after.

3.2. Internet and Ecommerce

Internet access: With 8.7 million users, internet penetration in Jordan reached 87.8% by the end of 2017. That year, there were 4 fixed-broadband subscriptions per 100 inhabitants, a number that grows significantly when it comes to mobile-broadband subscriptions (106.3 per 100 inhabitants). Additionally, 55.8% of households had a computer, and 82.9% of them had internet access at home. Even though the country has a high internet penetration rate, access in remote areas remains poor, as almost all companies concentrate their operations and promotions in major cities. There is also a contrast when it comes to the age of the internet users. While 75% of individuals aged 18-34 were internet users, only 57% of those aged 35 and above were connected to the internet. Internet connection fees have been considered high for years, but prices have dropped lately. Still, internet users in the country seem to be unhappy with what they claim is poor quality of service. It is worth noting that formerly state-owned Jordan Telecom controls the fixed-line network, centralising most of the connections to the international internet. Therefore, the government retains a certain level of control over the country's internet, given that all traffic within the country must flow through a government-controlled telecommunications hub.

E-commerce market: E-Commerce in Jordan is considered to be one of the most advanced in the region. Total e-Commerce sales in Jordan were estimated at US\$ 662 million in 2017. According to the government's e-Commerce strategy, the main obstacles to the market in the country are the lack of legislation which supports e-Commerce and protects consumers, arbitrary changes to licenses and taxes that deter e-Commerce companies and the lack of a viable electronic payment system. Given that 70% of the population does not have a bank account, cash-on-delivery is the most popular payment method among Jordanian consumers. However, while that may be an option when buying from local websites, it becomes a hurdle when it comes to making cross-border purchases. Even though about 60% of the online purchases are paid with cash on delivery, this method is also not ideal for Jordanian businesses, because customers can refuse to hand over cash if they are not satisfied with the item they ordered. Some of the most popular e-Commerce websites in the country are souq.com, automart-me.com, mansoura.com, semiramispastries.com and markavip.com.

4. International Trade (doing business)

4.1. Trade Standards:

JSMO issues two types of standards:

- **Technical Standards:** Mandatory standards which are assessed based on international benchmarks and agreements. These standards cover products which affect consumers' health and safety, such as food products, chemical detergents, electrical equipment, textile and clothes composition and personal safety equipment.
- **Standard Specification:** Optional standards for manufacturers and importers; examples include furniture products, clothes, textiles, and shoes. Some companies choose to set their own standard specification, adding special features or qualities.

JSMO sets and publishes food standards for the Jordan Food and Drug Administration (JFDA) to follow. The JFDA tests and approves products before they can be sold.

Testing, Inspection and Certification: Companies interested in obtaining conformity certificates or Jordanian Quality Marks for their products can view instructions before submitting their application online at: Certification Department (jsmo.gov.jo).

The process to receive a quality mark is divided into four stages: application procedure, assessment procedure, certification procedure, and surveillance procedure.

Imported goods subject to mandatory standards require verification through laboratory testing in Jordan. JSMO undertakes these responsibilities by cooperating with approved labs, including those at the JSMO, Ministry of Health, Greater Amman Municipality, Ministry of Agriculture, and Royal Scientific Society (RSS), all of which perform inspection and testing.

Publication of Technical Regulations: Technical standards (Jordan Quality Mark) are published in the Jordan Official Gazette in hard copy only and are registered in the Jordan Quality Mark database. The English version of the Jordan Official Gazette as well as a disk with the Jordan Quality Mark database can be purchased from JSMO.

International Conventions:

- Member of [World Trade Organisation](#)
- Party to the [Kyoto Protocol](#)
- Party to the [Washington Convention](#) on International Trade in Endangered Species of Wild Fauna and Flora
- Party to the [Basel Convention](#) on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal
- Party to the [Montreal Protocol](#) on Substances That Deplete the Ozone Layer

International Economic Cooperation: The Jordanian economy is very open. The country is part of [the Greater Arab Free Trade Area](#) (GAFTA), a pact of the Arab League entered into force in January 2005 which aims to form an Arabic free trade area. It has also signed bilateral free trade agreements with most of the countries of the Arab League. Jordan has also signed an agreement with the [European Free Trade Association](#) (EFTA), the United States and Singapore. Jordan has signed the Euro-Mediterranean Association Agreement which provides for a free trade area between the European Union and the other signatory countries. Finally, Jordan is a member of the [Agadir agreement](#) which provides for a system of free trade between Jordan, Tunisia and Egypt. Jordan also signed a Free Trade Agreement with Canada.

Non-Tariff Barriers: The Jordanian trade system is in full liberalization. An import license is normally not necessary but an exchange permit is. However, it is obtained in an automatic way and allows you to pay on presentation of the documents or to open a documentary credit. There are quantitative limitations on the import of certain manufactured goods and it is forbidden to import tomatoes, fresh milk, mineral water, table salt and plastic waste. Some specific products are reserved for the State's business such as sugar, wheat, flour, rice, powdered milk, cigarillos, frozen chicken, lentils and olive oil. A license for the import of fruits, vegetables, certain chemicals, medicines, some foodstuffs and telecommunications equipment is required. Some products also require a license from various public organizations.

Customs Duties and Taxes on Imports: [Customs duties are governed by law n°20/98](#). This provides for a progressive reduction of applicable duties with an upper limit in 2003 of 30% (40% in 1998). This rate should be brought down to 20% maximum in 2010. There is thus a scale of five rates for the most common goods: 0%, 5%, 10%, 20% or 30%. Alcohol and tobacco are taxed on a scale from 50 to 180%. Imports of raw materials and machinery for the production of capital equipment as well as basic foodstuffs are exempted from Customs tax.

Customs Classification: Jordan uses [the Harmonized System](#).

Import Procedures: The documents required for importing a product into Jordan are:

- a bill of lading for imports coming in through the port of Aqaba.
- an air waybill for products imported by air or a transporter's certificate for goods having transited by land.
- a declaration of Arab transit for goods having transited Arab countries which are not neighbours of Jordan.
- an invoice showing the quantity, type and numbers of the goods as well as their weight, value and the names of the buyer and seller.
- a certificate of origin.

- a declaration of value for goods whose value is over 2 000 JD.
- an exit permit for goods warehoused in free zones.

Also, it should be noted that Jordan uses the system of the single administrative document (SAD) for import declarations. This means that the declaration is directly submitted by the importer or the licenced seller through the Asycuda system. The system validates the entry, gives a registration number and indicates if the entry is green (no inspection), orange (inspection of the documents) or red (inspection of the documents and the goods). A paper copy of the declaration is given to Customs accompanied by the supporting documents if necessary. All Jordanian and foreign trading companies must either obtain an importer's card from the Ministry of Industry and Trade for customs clearance purposes or pay a Customs fee equivalent to five per cent of the value of the imported goods. For non-trading entities such as banks, hospitals and hotels, the Ministry issues a special limited card that allows the import of goods specific to that entity's purpose.

Certain products such as fruits, chemicals, medicines or telecommunications equipment require an import license. For more information, please visit the [website of Jordanian Customs](#).

Importing Samples: Samples are exempt from Customs duty. Their value must not be over 10 JD excluding transport costs.

4.2. Imports - Exports

Jordan is very open to international trade, so much so that there is a dependence on foreign capital; however, its relative share of GDP has diminished considerably after 2014 and was standing in 2020 at 65.4% (World Bank, 2022). Exports are spearheaded by the textile industry, followed by the chemical and mining sectors (fertiliser, medicine, potash and phosphate). Jordan mainly imports machinery and transport equipment, gas, crude and petroleum products, food, manufactured chemicals, and electrical machines. The United States was by far the main destination for Jordanian exports (25%), followed by Saudi Arabia and India (12% respectively), Iraq and the United Arab Emirates. China (16%) and Saudi Arabia (13%) were the main supplier of goods in Jordan remaining ahead of the United States (8.6%), Germany (4.5%) and the UEA (3.8%). Jordan is a member of the WTO and signed a free-trade agreement (FTA) with the U.S in December 2001, allowing the removal of customs duties on the majority of goods and services since 2010 when it was fully implemented. Jordan has also signed an Agreement of Association with the EU. In 2016, the EU announced that it would facilitate the entry of Jordanian exports in order to support the economy and integration of Syrian refugees. Jordan cancelled its free-trade agreement with Turkey at the end of 2018, citing its feasibility and negative impact on local manufacturing. This agreement was replaced by another free-trade deal at the end of 2019. In addition to the United States, Jordan is also party to bilateral trade agreements with Canada and Singapore and is a signatory to several regional trade agreements including the European Free

Trade Association (Norway, Switzerland, Liechtenstein), Greater Arab Free Trade Agreement (GAFTA), and Aghadir Agreement (Egypt, Morocco, Tunisia) which is connected to the Association Agreement (EU).

Jordan's trade balance is structurally in deficit, mainly because of the country's reliance on hydrocarbon imports. The exports of goods amount to USD 7.7 billion and the imports of goods to USD 19.5 billion in 2021. The Kingdom's trade deficit increased during the first 11 months of 2021 by 29.2 per cent to reach JD7.824 billion (11.03 billion USD), compared with the same period in 2020, where it stood at JD6.056 billion or 8.54 billion USD (Jordanian Department of Statistics, January 2022). The volume of total exports in the January-November period of 2021 increased by 18.3 per cent to JD5.997 billion (8.45 billion USD), compared with the same period of 2020. The percentage of total export coverage for imports in the first 11 months of 2021 stood at 43.4 per cent compared with 45.6 per cent in the same period of 2020, marking a drop of 2.2 per cent. (Jordanian Department of Statistics & Jordan Times, January 2022).

Table 5: Jordan Foreign Trade Indicators, World Bank; Latest available data (2021)

Foreign Trade Indicators	2016	2017	2018	2019	2020
Foreign Trade (in % of GDP)	88.7	90.2	88.5	85.7	65.4
Trade Balance (million USD)	-9,588	-10,695	-10,302	-8,887	n/a
Trade Balance (Including Service) (million USD)	-8,292	-8,735	-7,823	-5,753	n/a
Imports of Goods and Services (Annual % Change)	-3.0	2.5	-6.6	-3.1	-18.2
Exports of Goods and Services (Annual % Change)	-3.0	1.7	0.9	6.5	35.8
Imports of Goods and Services (in % of GDP)	54.3	55.6	53.4	49.4	41.7
Exports of Goods and Services (in % of GDP)	34.4	34.5	35.2	36.3	23.7

Table 6: Jordan Foreign Trade Values, World Bank; Latest available data (2021)

Foreign Trade Values	2016	2017	2018	2019	2020
Imports of Goods (million USD)	19,207	20,498	20,310	19,170	17,011
Exports of Goods (million USD)	7,509	7,511	7,750	8,317	7,943
Imports of Services (million USD)	4,438	4,627	4,732	4,710	2,903
Exports of Services (million USD)	6,233	6,389	7,082	7,718	2,322

Table 7: Jordan Foreign Trade Forecasts, IMF, World Economic Outlook; (2021)

Foreign Trade Forecasts	2021	2022 (e)	2023 (e)	2024 (e)	2025 (e)
Volume of exports of goods and services (Annual % change)	5.3	16.9	6.5	4.7	3.6
Volume of imports of goods and services (Annual % change)	1.7	9.8	2.4	3.0	3.1

4.3. Greece – Jordan Trade Relations

Bilateral trade between Greece and Jordan in 2021 amounted to almost €69M, showing 20% increase compared to 2020.

Greek imports from Jordan amounted to almost €29M, showing 51% increase since 2020. Greece's imports from Jordan mainly concern crude materials, inedible, except fuels. Greek exports to Jordan amounted to almost €40M. This means 4% increase compared to 2020. The composition of Greek exports to Jordan includes mainly chemicals and related products.

Table 8 : Value of Greek Imports from Jordan 2020-2021 (Eurostat, 2022)

IMPORTS - Value in Euro (€)	2020	2021
Food and Live Animals	317.723	799.567
Beverages and Tobacco	7.046.178	7.442.106
Crude Materials, Inedible, Except fuels	2.493.614	12.079.877
Mineral Fuels, Lubricants and Related Materials	9.999	:
Animal and Vegetable, Oils, Fats and Waxes	:	:
Chemical and Related Products, N.E.S.	6.002.577	3.425.031
Manufactured Goods Classified Chiefly by Material	3.558.721	4.958.137
Machinery and Transport Equipment	2.292	633.104
Miscellaneous Manufactured Articles	81.744	136.624
Commodities and Transactions not Classified Elsewhere in the SITC	1.000	:
Total	19.513.848	29.474.446

Table 9: Value of Greek Exports to Jordan 2020-2021, (Eurostat, 2022)

EXPORTS - Value in Euro (€)	2020	2021
Food and Live Animals	12.501.550	12.093.465
Beverages and Tobacco	119.884	250.505
Crude Materials, Inedible, Except fuels	1.046.484	1.089.257
Mineral Fuels, Lubricants and Related Materials	3.436.610	839.423
Animal and Vegetable, Oils, Fats and Waxes	1.893	113.089
Chemical and Related Products, N.E.S.	11.505.517	13.269.349
Manufactured Goods Classified Chiefly by Material	3.039.205	4.259.498
Machinery and Transport Equipment	3.713.195	5.325.228
Miscellaneous Manufactured Articles	2.413.942	1.885.924
Commodities and Transactions not Classified Elsewhere in the SITC	444.875	691.700
Total	38.223.155	39.817.438

4.3. Distribution

Evolution of the Sector: Jordan's retail network is transitioning from traditional shops and markets to American-style malls and hyper-markets. Several large malls have opened in Amman and there are plans for outlet stores in southern Amman. On-line and mail ordering is popular. Marketing via internet is possible, but is still a nascent channel, as there is a low internet penetration rate in Jordan and consumers tend to consider internet shopping to be insecure. Foodstuffs are distributed basically by 4 channels. The first hypermarket (12 000 m²) opened its doors in Amman under the Carrefour name. Supermarkets are widespread in the country. There are classic supermarkets (100 to 400 m²) and western style supermarkets (1 000 to 3 000m²). There are four supermarket channels:

- Cozmo and El Ahlia Plaza are local ones.
- C-Town and Safety are operated under franchise agreement.

In addition, there are also civil and military cooperatives which sell local produce, with little variety, at low prices. The market also includes groceries, markets and wholesalers specialized in spices, dried fruits, fruit and vegetables and fresh meat.

The retail sector's immediate future is tied closely to that of the overall economy, with this in turn subject to a number of external uncertainties: the conflicts in Syria and Iraq look likely to continue to impose constraints on economic growth, while the overall regional downturn caused by lower oil and gas prices will also have a knock-on effect on the kingdom's economy and consumer spending. At

the same time, however, the fundamentals remain strong. Jordan has major room for growth in the modern, organised retail segment, as its population also continues to grow. It has a unique geographical location, making it a natural corridor for growth in the surrounding region, as well as a convenient destination for shoppers from abroad. With any easing in regional tensions, the kingdom has the capacity to position itself for more robust future growth. Alongside more active government and private sector cooperation in ironing out legislation that affects the sector, the footfall may only increase in Jordan's burgeoning retail environment.

Market share: The Jordanian distribution network is undergoing a process of transformation, as it is shifting from stalls and traditional markets to shopping centres. Several major shopping centres have opened in Amman recently and factory outlets are being built in the south of the capital. E-commerce is also in full expansion.

There are three major retail chains: [Cozmo](#), [C-Town](#) and [Safeway](#). It should be noted that the [Carrefour Group](#) has opened 4 hypermarkets and 36 supermarkets in the country, with its local partner [Majid Al Futtaim](#) (CCI France Jordanie, 2020).

4.4. Leading Sectors for Exporters

Agriculture Sector: HORECA: The Jordanian retail food sector is estimated to be \$4.5 billion. Higher income consumers drive much of the demand for imported products, while middle- and lower-income consumers substitute imports with domestic alternatives. As incomes recover and purchasing power increases, the market is expected to grow. Sources anticipate growth of 5-10 percent in the coming five years. Traditional outlets dominate the Jordanian market, representing 85 percent of total outlets and around 90 percent of total sales. Despite this, modern outlets are growing in number and volume of sales. Online retail platforms are also becoming increasingly popular as Internet penetration increases.

Processed Food Ingredients: The food processing industry is growing and drives demand for ingredient inputs, which is expected to double in the next five years.

Market Structure: Jordan's market structure is straightforward. Importers are food processors, manufacturers, and or agents/distributors, as well as generalists who import a wide range of food products. Larger companies source food ingredients and products directly to lower prices, guarantee product flow, and ensure quality. Agents/distributors service the food processing and manufacturing sectors. It is important for exporters to work with someone locally who knows the market well for a specific product.

Opportunities: Jordan's consumer behavior is gradually becoming more westernized. There is increasing demand in Jordan for the following goods: corn,

rice, food ingredients, fresh and frozen sea products, origin cheese, fancy beef products, low priced chicken leg quarters, nuts and cereals. Although the candies market is growing, exporters should be aware that Genetically Engineered (GE) products require prior registration and must meet labeling requirements.

Renewable Energy Sector: Jordan is one of the leading countries in the Middle East and North Africa (MENA) region in renewable energy (RE) adoption and clean energy growth. Roughly 20 percent of the electricity grid is powered by solar or wind energy. Exceeding this percentage will be challenging for Jordan unless storage solutions are implemented. However, excess supply, due to energy diversification efforts over the past decade and existing long-term gas supply contracts, limits opportunity for renewables over the immediate term, but the market should be monitored for opportunity over the medium term. Jordan imports nearly 100 percent of its oil and gas needs. The Government of Jordan (GOJ) has recently rolled out the country's National Energy Strategy 2020-2030 that focuses on advancing energy security through improving energy efficiency, energy mix diversification, increasing RE's share of the entire energy mix, reducing carbon emissions, and bringing down energy costs. Furthermore, the strategy aims at reducing the reliance on (imported) oil fuels in producing electricity. It envisions that by the end of 2030, 48.5 percent of the country's electricity generation would come from local energy sources (which currently stands at 15 percent) Jordan has long-term potential for additional RE, enjoying an average of 316 sunny days per year, having wind speeds ranging between 7 and 8.5 m/s, and having large desert areas with a low population.

- Leading Sub-Sectors
- Renewable Energy (solar energy, wind)
- Renewable energy storage solutions

Opportunities: Jordan has long-term potential as an energy producer of non-conventional and RE. The following are potential opportunities that are either in process or in the pipeline over the medium term:

- Oil and Gas Exploration: Several international companies are conducting oil and gas exploration in Azraq, West Safawi, Jafr, Sirhan, Dead Sea, Rum, Petra and Northern Highlands.
- Developing Risha Gas Fields: Exploration efforts to maximize local gas production and to increase the local generation of electricity from the gas fields are underway.
- Iraq-Jordan Electricity Power Grid: Preparations are now underway to construct the Jordan-Iraq electricity power grid interconnection. The grid interconnection will allow for the export of electricity to Iraq.
- Energy Technologies: Jordan is in the early stages of exploring energy storage solutions, which may also present opportunities for the energy sector. Technologies and services related to efficiency gains, including smart metering and grid management, may also find opportunities.

- Renewables: As Jordan addresses challenges associated with oversupply of electricity, opportunities for a range of renewable energy solutions may re-emerge over the medium and long term.

Information and Communication Technology: The Information Communications and Technology (ICT) sector in Jordan is one of the fastest growing sectors in Jordan's economy, accounting for 3.8 percent of gross GDP with total annual revenue exceeding USD 2.3 billion. Despite the challenging economic environment, the ICT sector continues to stand as one of Jordan's greatest strengths, witnessing growth of 6 percent during the pandemic. Technological innovation is a top priority on the ICT sector's agenda and the country is taking measures to position itself as a regional digital hub. Jordan is considered to have a high rate of entrepreneurship initiatives compared to other countries in the region and enjoys the availability of affordable technical talent, geopolitical stability, good infrastructure, a liberalized telecom sector, proximity to key regional markets, and government support. There are more than 900 active companies in the sector that directly employ about 22,000 employees. With Jordan's population representing 3 percent of the MENA region, it constitutes 23 percent of the region's tech entrepreneurs. The Kingdom now ranks 49th on the Global Entrepreneurship Index (GEI) and has more than 25 business incubators, accelerators, and creative centers. It is estimated that 98 percent of ICT companies in Jordan are SMEs.

Leading Sub-Sectors

- Verticals: HealthTech, FinTech and EdTech
- IT infrastructure
- Software
- Online & mobile solutions and services
- Gaming
- Business Process Outsourcing

Opportunities: Some of the top areas of opportunity in the Jordanian ICT sector for foreign companies include:

Access to Regional and International Markets: Jordanian ICT companies, including SMEs, face almost no cultural or language barriers entering neighboring Arab markets. Jordan has a strong strategic geographic location in the center of the Middle East and has good relations with countries in the region. This indicates good opportunities to leverage Jordan as a platform to access regional markets.

IT Infrastructure Projects: Jordan has a good ICT infrastructure, especially since the liberalization of the telecom sector in 1999. With regards to hardware and networking infrastructure, Jordan is calling for investors to partner on implementation of a project that would connect 990 public schools, 217 hospitals and healthcare centers and 126 government entities in Irbid, Mafraq, Jerash and Ajloun. Additionally, there is an opportunity to implement a national broadband network that connects

1,318 public schools, 231 public hospitals and healthcare centers and 169 government entities in Amman, Zarqa, Madaba and Balqa'. Furthermore, local operators are replacing traditional core networks and substituting them with internet protocol-based ones. The revolution in Internet of Things (IoT) services will also require advanced infrastructure.

Arabization of the Online Content: Many Jordanian companies conduct “Arabization” of software and solutions. Arabization not only involves translating internationally successful products into the Arabic language, but also adapting content to the Arab context for consumers all over the world. With 75 percent of Arabic Internet content generated by Jordan’s ICT sector, the market not only offers an opportunity for foreign software providers to develop and leverage existing sales channels to regional markets, but a competitive proposition for investment in content applications and e-learning.

Gaming: Jordan offers considerable business opportunities in online and mobile gaming as well as for design studios involved in gaming and animation and localization of content.

Digital payments and financial services: Service providers have started moving away from traditional payment services to new digital services, such as e-wallets. E-wallets increased from less than 350 thousand in 2019 to over 1 million in 2020. An increase in use of digital payments would benefit from implementation of the Electronic Know Your Customer (e-KYC) services and the acceleration of digitization efforts for government-linked payments.

E-Government: E-government services will play an important role in Jordan’s mid-term development strategy. Jordan’s e-government initiatives are outlined in several policy documents, including the REACH2025 national digitization strategy, which highlights e-government service delivery as a critical pillar for the Kingdom’s ongoing digital transformation. Planned improvements to the Kingdom’s business environment entail launching new online business licensing and other services that could present opportunities for foreign firms.

Training: Developing highly skilled workforce is crucial in Jordan. To address the immediate need for skilled talent, the government of Jordan passed the Vocational and Technical Skills Development law in July 2019 to create an institutional framework for sector-specific skills development, including the ICT sector.

Other Opportunities: Other trends in the ICT sector are also expected to spark opportunities for technology suppliers in Artificial Intelligence (AI), internet of things (IoT), automation, digital education environments, mobile applications, media services, Over the Top (OTT) services, and Internet Protocol Television (IPTV)

media services, Data Privacy, Block Chain, Machine-to-Machine (M2M), smart spaces, and XaaS (anything as a service).

Defense and Security: Jordan is in a region often characterized by volatility and instability, making national security a priority. The country shares borders with Syria, Iraq, Saudi Arabia and Israel and the West Bank. Jordan's defense market is relatively small. Primary end users include the Jordanian Armed Forces (JAF), Civil Defense, Public Security Directorate (PSD), Royal Jordanian Air Force (RJAF) and General Intelligence Department (GID). Responsibility of securing Jordan's national security lies with the JAF, GID, and the Ministry of Interior, which supervises the Public Security Directorate (PSD) including Gendarmerie, and the Civil Defense. These entities seek to acquire the latest equipment and technologies to provide the highest level of security, whether for protecting the country from terrorism, securing Jordan's borders, or maintaining internal and external stability. Although most equipment is imported, there is an increasing amount of security equipment and devices either assembled or produced domestically through Jordan Design and Development Bureau (JODDB).

Safety and Security: The safety and security market is valued at more than \$80 million, of which U.S. companies hold a 40 to 60 percent market share, with competition from Europe and Asia. Demand for safety and security equipment comes from three main sectors: banking, residential and commercial construction, and tourism (hotels and resorts). There is a strong demand for the import of security equipment to meet the government's security requirements. A new and fast-growing subsector in the safety and security sector is cybersecurity. With advanced technologies being used over a wide range of applications, providing security for their use is becoming increasingly necessary for both the public and the private sectors. Jordan will host its first AI Defense Technology and Cyber Security Exhibition and Conference AIDTSEC on October 27, 2021 at King Hussein bin Talal Convention Center – Dead Sea, Jordan. This exhibition is held under the Royal Patronage of His Royal Highness Prince Hussein Bin Abdullah.

Jordan also hosts the Special Operations Forces Exhibition & Conference (SOFEX) biennially. This defense trade exhibition is held under the Royal Patronage of His Majesty King Abdullah II, the Chairmanship of His Royal Highness Prince Feisal Bin Al Hussein and with the full support of the Jordan Armed Forces (JAF). The exhibition attracts exhibitors and national pavilions from around the world to showcase new and innovative solutions. The next SOFEX will be in the King Hussein Airport - Aqaba, Jordan, October 31 – November 3, 2022.

Leading Sub-Sectors: Local market demand is driven by the commercial sector and the following segments:

1. Safety and Property Security Systems (infrastructure security):
 - CCTV and access controls
 - Fire protection systems and alarms

- Fire and smoke detection
 - Passive fire protection products
 - Fireproofing
 - Automatic fire sprinkler
 - Fire suppression, including water and chemical extinguishing
 - Safety headgear
 - Bomb and metal detectors
 - X-ray and handheld scanners
2. Theft/Intrusion:
- Intrusion, robbery, and burglary systems
 - Burglar and motion alarms
 - Vehicle anti-theft and tracking
 - Electronic and video surveillance (CCTV, GPS, IP network)
 - Alarm signaling equipment
 - Safes and vaults
3. Public Safety:
- Detection instrumentation
 - Electrical signaling for safety and traffic control (e.g., roads, parking facilities, port installations and airfields).
4. Defense:
- Border control surveillance equipment
 - Cybersecurity command and control centers
 - Telecommunication equipment
 - Military vehicles
 - Tactical equipment
 - Artillery

Opportunities: There are several commercial and residential projects underway in Jordan, which require security equipment. Major projects include: Marsa Zayed Aqaba port and resort project (\$10 billion); and Saraya Aqaba Jordan resort (\$1 billion). These specific projects all require advanced safety and security equipment, in addition to continuous demand from banks, hospitals, hotels and universities. In terms of government opportunities, projects associated with border security, traffic control, forensic laboratories, and emergency and disaster command centers, also present opportunities for foreign manufacturers and suppliers in the sector.

Healthcare Sector: Jordan is a regional leader for the provision of medical services. In 2020, nine percent of Jordan's GDP was devoted to healthcare services, which is high compared to other countries. There are 115 hospitals, 67 of which are private. The total number of hospital beds in both sectors, is 14,779, with 51 percent of the beds in public hospitals. Jordanians increasingly suffer from asthma, cancer, diabetes, obesity, heart stroke, vascular disease, osteoarthritis, rheumatoid arthritis, and osteoporosis. Opportunities exist for technologies that prevent or treat these conditions as well as supplying equipment for new and existing medical facilities. The

country is facing heavy demands on its resources due to a growing population, impact of COVID-19, and an influx of Syrian refugees, which by some counts has exceeded one million. Therefore, expanding the reach of Jordan's healthcare services is a government priority. Jordan receives significant international assistance, some of which is dedicated to the provision of healthcare services.

The country is also a regional leader in medical tourism, with nationals from neighboring and Gulf Cooperation Council (GCC) countries seeking treatment in Jordan. Patients from abroad are attracted by the limited wait times and availability of quality treatment at an affordable cost for treatments ranging from cardiac diseases and oncology to infertility and cosmetic surgery. Prior to COVID-19, Jordan received as many as 250,000 foreign patients per year with over \$1 billion in revenues annually, accounting for a significant percentage of the country's tourism revenue. According to the World Bank, Jordan is ranked first in the MENA region as a best healthcare service provider and a top destination for medical tourism. Physicians tend to be Western-educated and well regarded.

In 2019, the Ministry of Health prohibited the import of used and refurbished medical devices for all the health sectors. Jordan requires USFDA, CE mark, or Japanese certification for all imported medical devices.

Leading Sub-Sectors: Hospital projects and private clinic investments will create demand for medical equipment used in the following areas:

- Cardiology and cardiovascular surgery
- Laparoendoscopic surgery
- Kidney transplantation
- Ophthalmology
- Neurosurgery
- Equipment and supplies for plastic surgery
- Oncology
- Consumables for Clinical laboratories (i.e. tubes/glasses)
- Medical Surgical Sterilizers
- Medical x-ray, Alpha, Beta, Gamma Ray Equipment
- Orthopedic & Prosthetic Appliances

Aesthetic procedures and related products are currently a growth area in Jordan, creating demand for technologies related to:

- E-Health
- Healthcare management systems
- Software modules for specific fields and applications (radiology, imaging, etc.)
- Integrated medical insurance solutions
- Customer relations management
- Mobile healthcare applications
- Online medical content providers

Opportunities: In 2020, Jordan's healthcare expenditures were valued at \$3.79 billion; pharmaceutical expenditures were valued at \$941 million; and medical device

expenditures were valued at \$311 million (Source: BMI International). A strong medical tourism sector as well as projects to renovate existing and establish new medical facilities (such as the King Hussein Cancer Center – Aqaba Branch) are key drivers behind expenditures in the sector. Additionally, Jordan has a significant number of refugees requiring medical services, and the country has a two percent year-on-year population growth, with 69% of the population under 30, and 37% under the age of 15, also contributing future demand. Accordingly, foreign companies have excellent opportunities to sell products and services to the health care sector in Jordan.

The government plans to expand the “e-health initiative system” piloted in 2011 to public hospitals, including the storage, retrieval and updating of electronic patient health records managed by healthcare facilities foreign suppliers of e-health solutions may find opportunities to respond to procurement announcements.

5. Accessing to the local market

Doing business in Jordan: Despite business climate improvements in recent years, doing business in Jordan can be more difficult than elsewhere in the region. Companies sometimes report frequent changes in senior Jordanian government officials and a slow bureaucracy adversely affect commercial activity. For companies establishing a physical presence, business registration can be lengthy and tedious. Likewise, dissolving a failed business endeavor can be costly.

Although foreign exporters are not required to appoint a local Jordanian business partner, it is recommended new-to-market foreign firms to consider partnering with a local representative/agent/distributor for the purposes of monitoring business opportunities, navigating import and standards testing regulations, identifying public sector procurement opportunities, establishing industry contacts, offering after sales service, and maintaining continued presence in the Jordanian market. Due to Jordan’s small geographic size, distributors and agents generally have exclusive representation rights all over the Kingdom. Foreign firms considering Jordan should focus on understanding the market characteristics, as well as the potential for leveraging Jordan as a regional hub for certain products or services.

Franchising: The franchise industry in Jordan has developed rapidly in recent years. Local investors are increasingly interested in franchising, especially in the service sector and the fast-food industry. Many well-known foreign retail and service franchises are already established in the Jordanian market. However, the size of Jordan’s market limits the number of franchise outlets, and not all franchises have been successful.

Several new malls have opened in Amman in recent years and there are plans for outlet stores in the southern suburbs of Amman. The southern city of Aqaba is also

constructing new retail facilities in recently built vacation communities including Ayla Project, Saraya Aqaba and Tala Bay.

Direct Marketing: Foreign companies can use email campaigns, social media platforms and the internet to directly market their products to end users in Jordan. However, in general it is recommended to work through a local representative. Foreign companies can find competent local firms that are capable of organizing marketing campaigns for their products through a range of media, and the Commercial Service in Amman can also assist companies with this task.

Joint Ventures/Licensing: Joint ventures with Jordanian partners are one means of penetrating the local market. A joint venture is confined to the special relationship between partners, as specified in the joint venture agreement, and is essential in some sectors where foreign ownership/share of companies cannot exceed 50 percent. For more information contact the Jordan Investment Commission.

Express Delivery: There are many reliable express delivery firms within Jordan such as Aramex, an international express, mail delivery and logistics services company which originated in Jordan, in addition to multinational well-known express delivery organizations such as DHL, FedEx and UPS. Aramex released the “Shop and Ship” service that offers an official postal address in the United States of America to which international customers can ship internet orders. Aramex will then ship the contents of the mailbox and deliver them to its global customers.

6. Business Culture and Communication

Working hours and time management during business: The workweek in Jordan runs from Sunday to Thursday. Friday is the weekly holiday. Shops, banks and business are also usually closed on Saturdays. Business hours are generally from 8.30 to 13.00 and 15.30 to 18.30. Hours vary during the month of Ramadan. Appointments should be scheduled in accordance with the five daily prayer times and the religious holidays of Ramadan and Hajj.

During the month of Ramadan there is no lunch break and work hours are only 6 hours. The workday will end at around 2 or 3 pm; this is not a good time to do business nor are the other Muslim holidays: Islamic New Year, Birth of the Prophet, Prophet's Ascension, Eid al-Adha (variable dates, following the Islamic lunar calendar).

It is customary to make appointments for times of day rather than precise hours, as the relaxed and hospitable nature of Jordanians business culture may cause delays. The concept of time in Jordan is considerably different to that of many western cultures. Jordanians put more focus on people and relationships than on schedules. As a result, meetings or social gatherings may often begin later than the appointed time. It is not advised to arrive late yourself, though, as this may be thought of as rude or unusual behavior from a Westerner. Instead, aim to be on time but not early

for meetings.

Language: While Arabic is the official language of the country, most international business dealings are done in English. It is advised to learn a few key Arabic phrases, eg the customary greeting is ‘As-salam alaikum,’ (peace be upon you) to which the reply is ‘Wa alaikum as-salam,’ (and upon you be peace). Jordanian associates will appreciate business cards printed in both Arabic and English.

Seniority and hierarchy in business: Jordanian organizations are characterized by strict hierarchy and rigid structures. Those with the most authority are expected to issue complete and specific directives to others. Age plays a significant part in Jordanian culture so you should always show greater respect to elders. When first entering a room or greeting your Jordanian counterparts for the first time, you should shake hands with the most senior person first.

Interacting with women: Treat women with respect but not familiarity. A man meeting a woman for the first time should wait for her to extend her hand in greeting and vice versa. Just pause a bit before putting out your hand and if the man puts his hand over his heart and bows slightly, this means you won’t shake hands but rather, mimic the gesture, and say, “Very nice to meet you, sir,” and move on.

Conduct during a meeting: When entering a meeting, general introductions will begin with a handshake. You should greet each of your Jordanian counterparts individually, making your way around the room in an anti-clockwise direction. Men should avoid shaking hands with a woman unless they offer it first.

Business is still conducted on a very personal level and Jordanians will try to determine if you are a respectable, honorable person with whom they would like to have a business relationship – not only whether you can meet the technical requirements of the goods or services they need. The first five to ten minutes of the first business meeting will often be devoted to getting to know one another, and values like respect, friendship and trust are paramount in business dealings and personal matters alike. Initial business meetings are generally long in duration and discussions are conducted at a leisurely pace over tea and coffee. It is considered impolite to jump right into business.

Often locals will take a great interest in the personal lives of foreigners and may ask questions that may seem nosy or prying. Don’t take offence at this; it is simply the Jordanian way of showing interest in getting to know you. Any social invitations should be accepted and reciprocated at a later date. If at all possible, do not decline such invitations as this could damage the business relationship: a social relationship with your Jordanian counterparts is paramount for successful business. Show them that they are not only a pure business contact but that you are also interested in them as an individual. Respect and friendship are values that are held very highly in Arab

cultures. In a business setting, favors based on mutual benefit and trust are ways of enhancing these cultural values.

Conflicts in the workplace are usually addressed privately in order to avoid public embarrassment and loss of face. If faced with a situation where they must confront someone about something, Jordanians will always do it privately and you should afford locals this same courtesy. Having a public confrontation would cause the offending party to 'lose face'. Jordanians don't often show strong emotions, except sometimes anger, and even this is rare. Feelings and affection are generally not openly expressed and when done, it is usually anger more than affection. In fact, any open display of affection between genders is strictly unacceptable, even between a married couple.

Dress code: Jordanians dress very conservatively and professionally for work. For men, conservative business suits are recommended - casual wear should not be worn. Women are required to wear high necklines, sleeves at least to the elbow and preferably long skirts below the knee.

Meeting follow-up: As in all business dealings, it is a good idea to reiterate next steps by each party before leaving. Stay in touch with your contacts, using the medium they prefer. Do not be afraid to make a phone call to their mobile. Given competition, it is important to be tactfully persistent.

Coffee: At many offices, a cup of "Arabic coffee" with cardamom is offered to everyone in the room on arrival. You should have a sip or two and return the cup with a little wiggle (means you do not want more) to the server when they comes back. If you would like another serving, just hold out the cup and it will be refilled. It is not polite to take more than three servings. Refusing coffee is refusing the host-guest. You do not want to do that!

The short list of DO's and DON'Ts

DO avoid discussing topics such as politics or Israel unless you are familiar with Jordanian politics. Although it is one of the favorite conversation topics in Jordan, you might offend your Jordanian counterparts.

DO learn how to speak a few Arabic phrases as it shows respect to your Jordanian counterparts.

DO accept personal invitations to your Jordanian counterpart's home as such social gatherings are used to intensify personal relationships which will strengthen work relationships.

DO NOT show the soles of your feet as this is considered to be very offensive in Islamic cultures. Therefore, don't cross your legs in front of the person you are

meeting with. Crossing a leg over your knee or sticking your feet straight out in front of you will expose the soles of your shoes to another person, which is a very serious insult in this part of the world.

DO NOT rush your Jordanian counterparts during business negotiations. Communications occur at a slower pace in Jordan and patience is often necessary.

DO NOT jump right into business at the start of the meeting.

DO NOT expect to drink alcohol as part of socializing, and do not give alcohol as gift. Sweets or flowers are appropriate as long as they're not too lavish.

DO NOT inquire directly about your Jordanian counterpart's female family members as it is considered rude and Jordanians might suspect bad intentions behind it.

DO NOT take offence if meetings are cancelled, postponed, interrupted or include other people.

7. Useful contacts

Embassy in Amman

Address: 7. Suleiman Youssef Sukkar Str,11180, Amman, (P.O.Box 35069)

Tel.: (009626) 5922724-5

Fax: (009626) 5927622

Emergency phone: 00962-795693000

E-mail: gremb.amn@mfa.gr

Web Site: www.mfa.gr/amman

Head of Mission : Eleftheria Galathianaki

Consular Office in Amman

Address: 7. Suleiman Youssef Sukkar Str,11180, Amman, (P.O.Box 35069)

Tel.: (00962) 5922724-5

Fax: (009626) 5927622

E-mail: gremb.amn@mfa.gr

Booking an Appointment for VISA Application:

1. Consular Section:

Tel.: (009626) 5922724,5

2. VFS facilities:

Tel.: (009626) 4001004

Mob.: (009626) 797922221

Address: Galleria Mall, Sweifia, 4th Floor, Amman, Jordan

Web site: <http://www.vfsglobal.com/greece/jordan/index.html>

Head of Consular Section: Panagiotis Karydis

8. Sources

- European Commission
- Euromonitor International
- IMF
- OECD
- The World Bank Group
- TradingEconomics
- UNCTAD
- U.S. Department of Commerce, International Trade Administration
- World Economic Forum

Financial Institutions

- Eurobank: Export Gate

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