



Jordan Europe Business Association (JEBA) & Ministry Of Investment

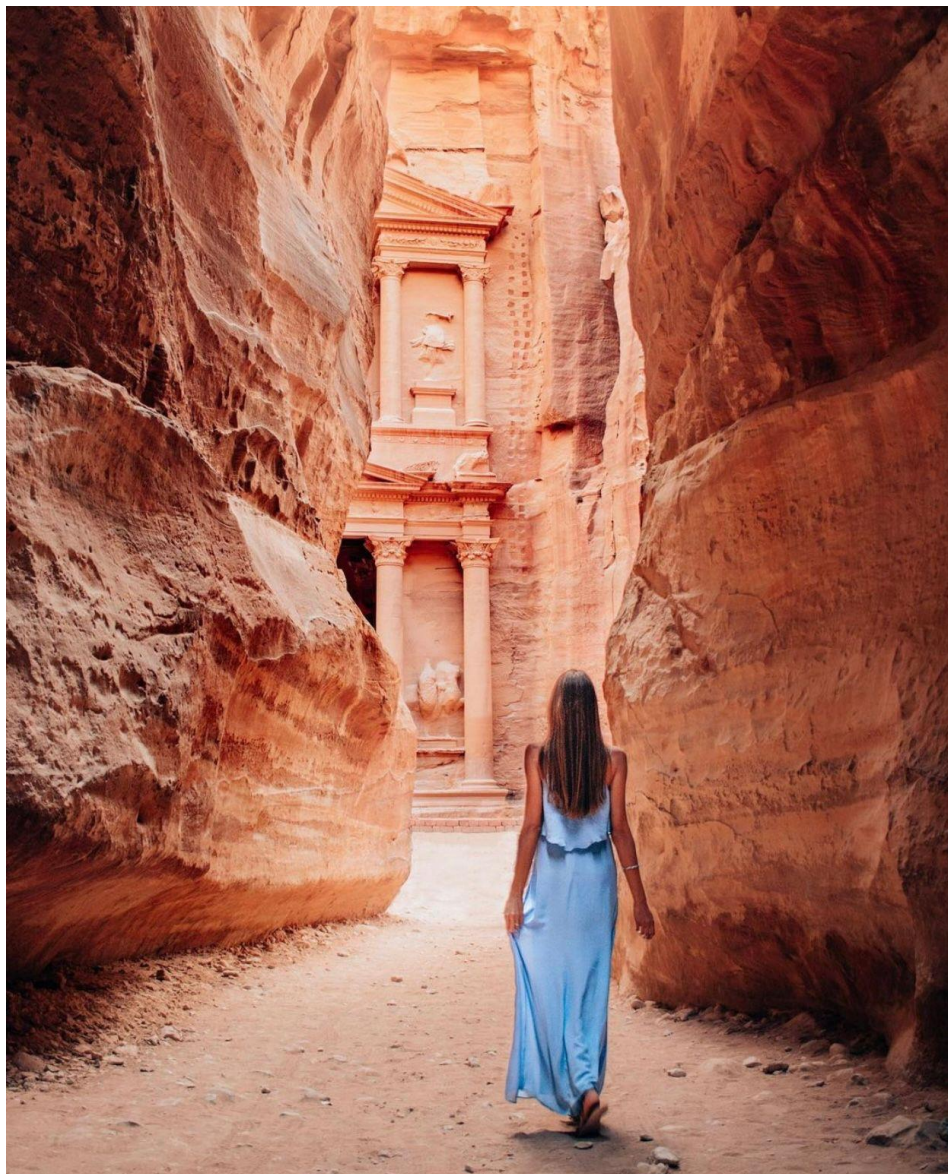
Business Environment in Jordan

**Jordanian Business Delegation to Cyprus
(7th -11th March, 2022)**



Dead Sea





Overview of the Jordanian Economy

Jordan is among the top 10 countries in improving the business climate and implementing reforms

Ease of Doing Business Report 2020

Service-Oriented Economy

It is a service-oriented economy, where the services sector constitutes 72 % of the total GDP

Jordan has made structural and legal developments, and succeeded in approving a new tax law and investment law, which caused an increase in national and foreign investments

Free Market-Driven Economy

economic policies that support the private sector

Growing & Robust Economy

The Jordanian economy grew by 2% in 2021 (3rd Quarter)

A Privileged Location with Access to over 1.5 Billion Customers



Regional Free Trade Area:

- Greater Arab Free Trade Agreement (18 Arab countries)
- EU-Jordan Association Agreement.
- European Free Trade Association - EFTA (Norway, Switzerland, Iceland and Liechtenstein).

Bilateral Free Trade Agreements

- USA
- Singapore
- Canada
- UK - Jordan





Business Environment in Jordan



The Jordanian banking sector is considered one of the most developed economic sectors



Qualified and trained labor and institutional capabilities for development and training



Attractive incentives for investment



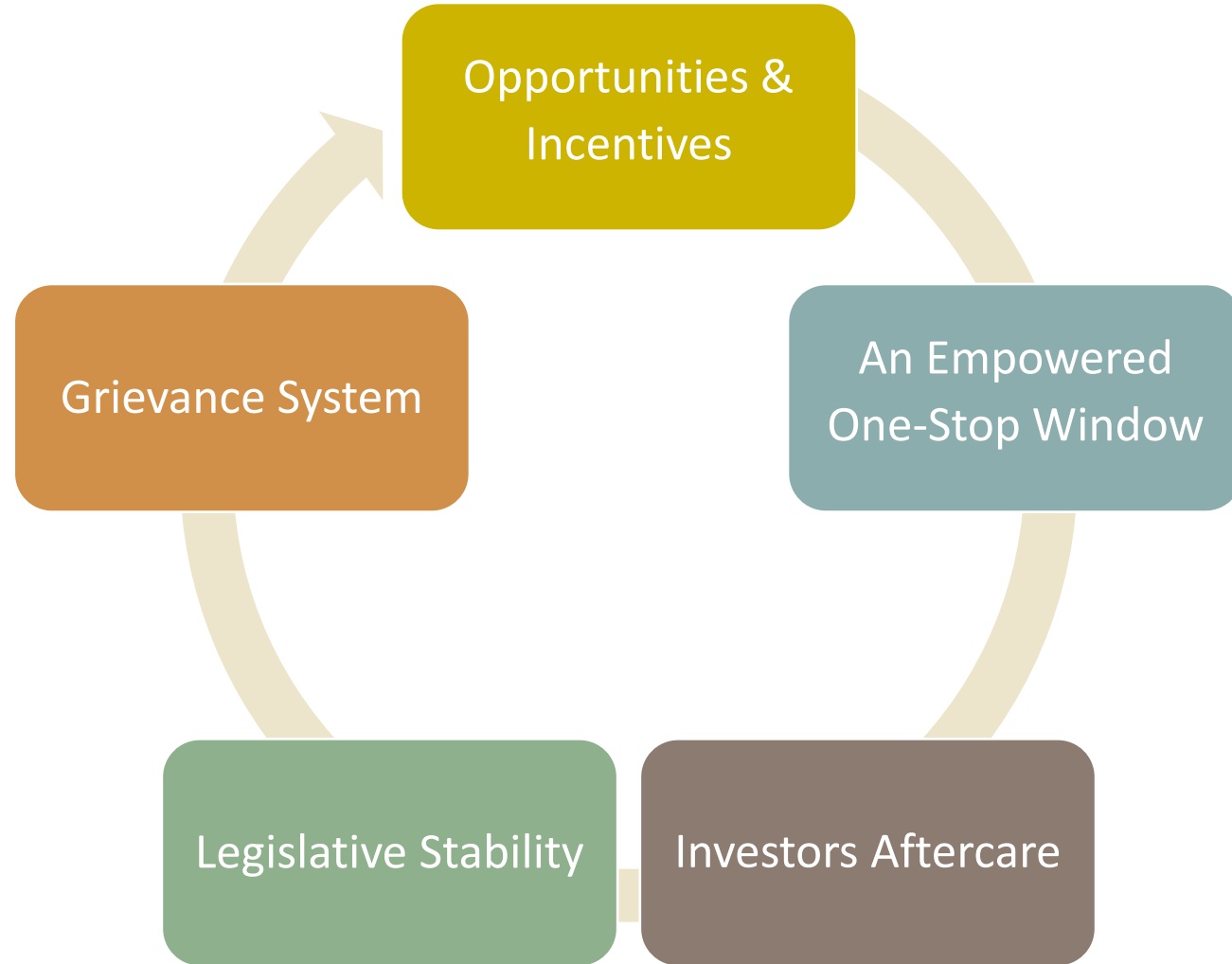
An efficient, impartial judicial system that adheres to international standards



Protecting the rights of investors regardless of their nationality



Sustainability & Empowerment Umbrella





Entrepreneurship Support

The Ministry of Investment believes in the importance of supporting youth and entrepreneurship by promoting their innovative spirit, Therefore, the Ministry of Investment created an Entrepreneurs Support Division

Providing an incubating and supportive environment for the entrepreneurship sector in the Kingdom, transforming entrepreneurial ideas into productive projects, supporting business incubators in universities and companies, supporting existing and new business accelerators, as well as, the need to generalize these experiences to all governorates

Serving new start-ups and SMEs, with innovative and creative features, based throughout the governorates of the Kingdom, and achieving growth and sustainability, in addition to transforming entrepreneurial ideas into opportunities by linking the owners of entrepreneurial ideas with investors or coordinating with donors to provide fund

Investment Opportunities

Governorates Investment Map

- Medium & small size investment opportunities with promising potential, that are compatible with the comparative and competitive advantages of each governorate. 120 SME projects were identified in various economic sectors (industrial, agricultural, tourist, service...).
- Selecting (14) promising projects from those opportunities and working to update them in several economic sectors (education, agriculture, infrastructure...etc.) to be presented to potential investors.
- Preparing and developing an investment profile for each governorate that includes a study of the economic, social and investment status, and the competitive advantages available in each governorate.

Mega Projects

- A set of investment opportunities for major projects in various economic sectors, infrastructure, energy, transportation, water, and tourism, offered by ministries and governmental institutions, in addition to projects presented as PPP presented to potential investors



Investment Opportunities

Preliminary
Indicators:
Investment
Size
Proposed
Location

12
Governorates

USD4.7
Billion

79
Investment
Opportunities
Within
Different
Economic
Sectors



Incentives Provided in Development Zones

Income tax shall be (5%) of the taxable income of the registered enterprise realized from its economic activity within the development zone with local added-value of not less than (30%)

Income tax shall be (10%) of the taxable income of the registered enterprise realized for the rest of projects and activities

Exempted from sales tax are forklifts, vehicles intended to transport ten or more persons including the driver, and which are sold to the registered enterprise for the purpose of transporting workers from and to the work facilities of this enterprise in the development zones.

Goods/commodities produced or manufactured in development zones that meet with the conditions of Jordanian origin shall not be subject to custom duties and other fees and taxes when they are placed for consumption in the local market

Registered suppliers of goods and services shall have the right to request a refund of general sales tax paid by them that was paid on the commodities sold to the enterprises registered in the development zone

A (7%) sales tax shall be collected from value of sale of services to be determined in accordance with the regulation in force when they are sold for consumption within the development zone

The percentage of general tax provided for in the General Sales Tax Law on goods and services which the registered enterprise purchases or imports for the purpose of practicing its economic activity within the development zones shall be reduced to (zero), without obligation of the registered enterprise to provide any guarantee to the Income and Sales Tax Department in this respect



Incentives Provided in Free Zones

وزارة التخطيط

Exemption from income tax on profits for the following: Exporting goods or services outside the Kingdom & transit trade

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

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

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

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

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

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



Targeted Economic Sectors



Industry



ICT



Tourism



Agriculture



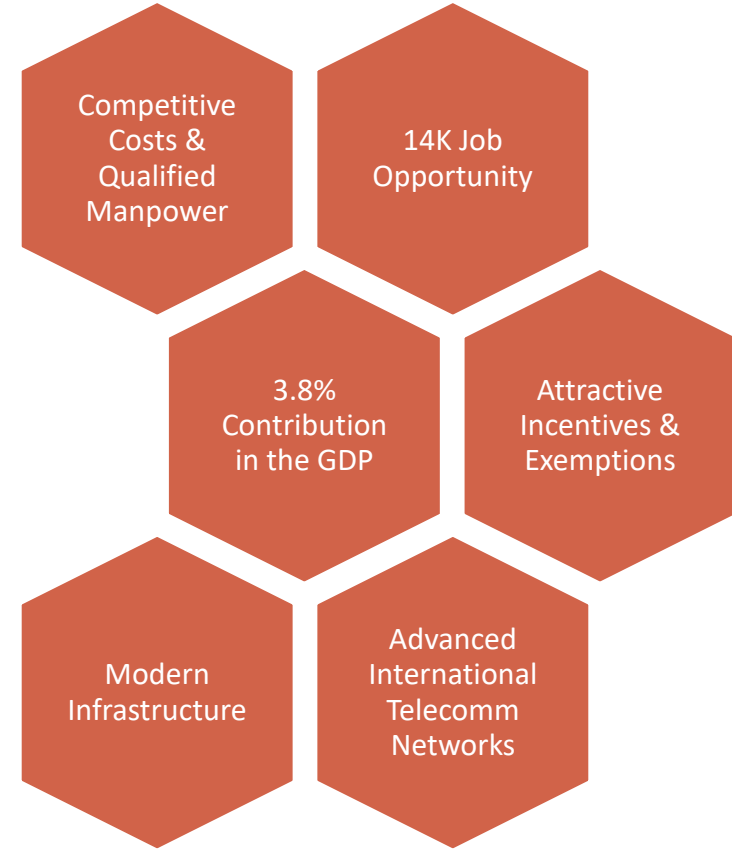
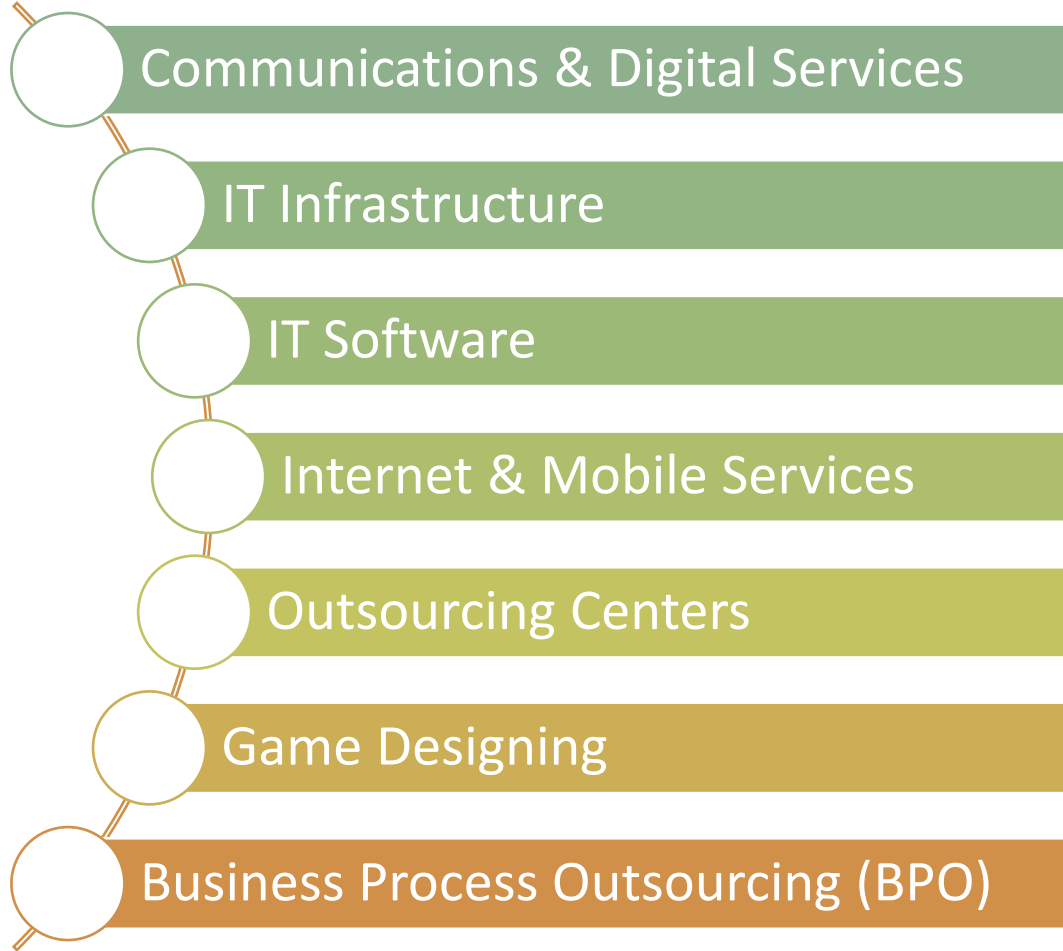
Transportations &
Logistics



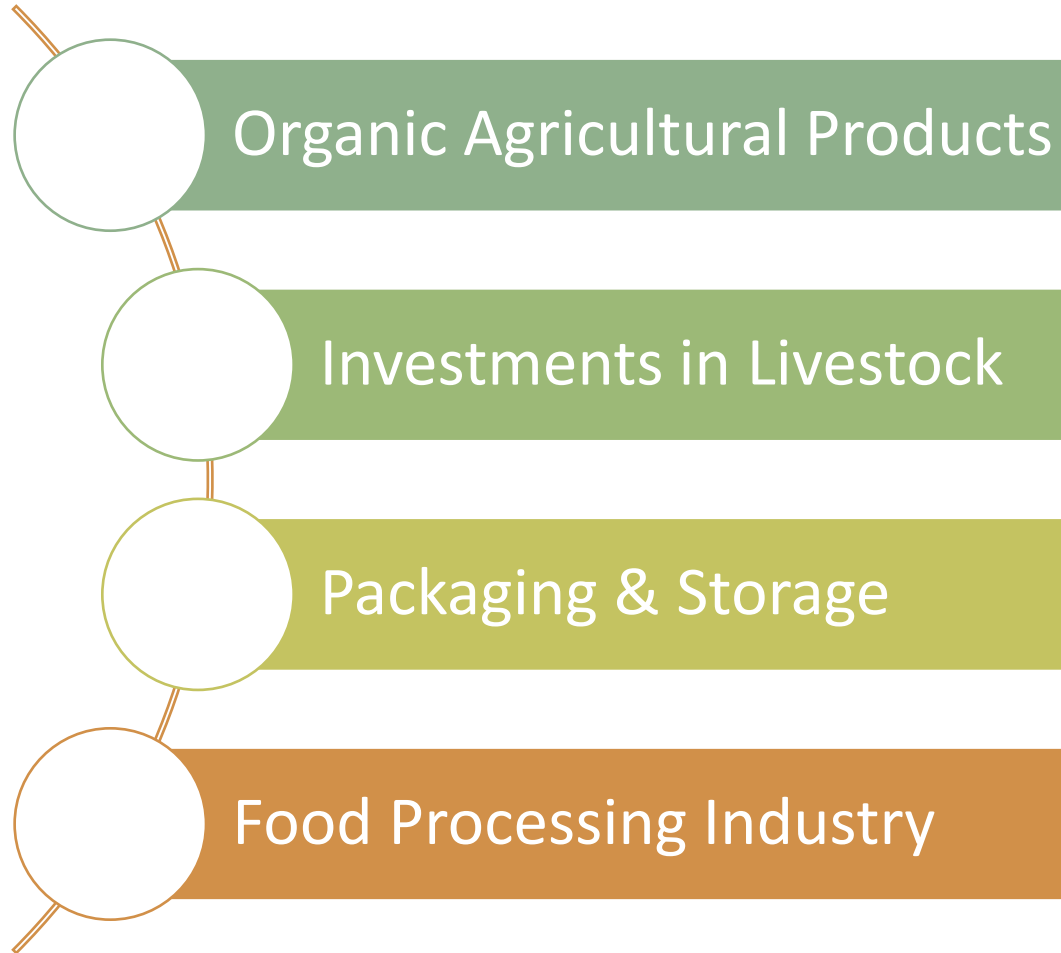
Healthcare



ICT

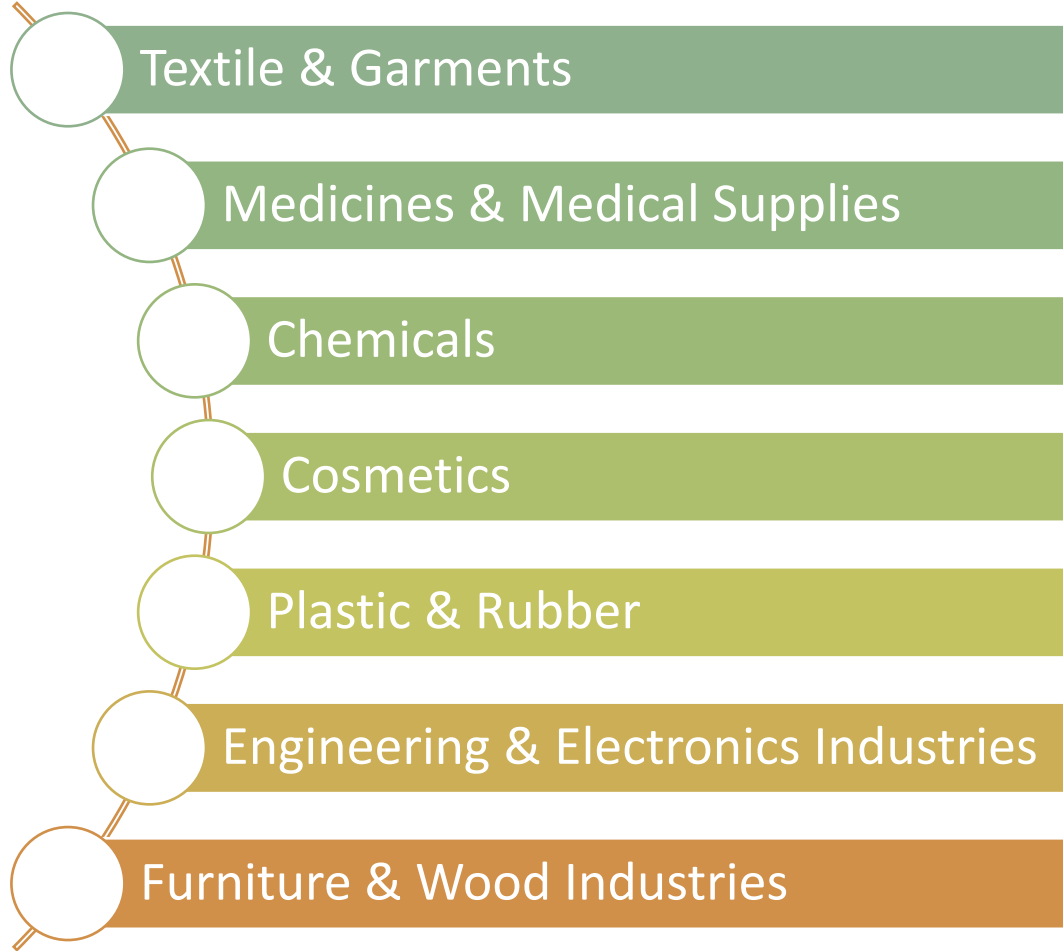


Agriculture

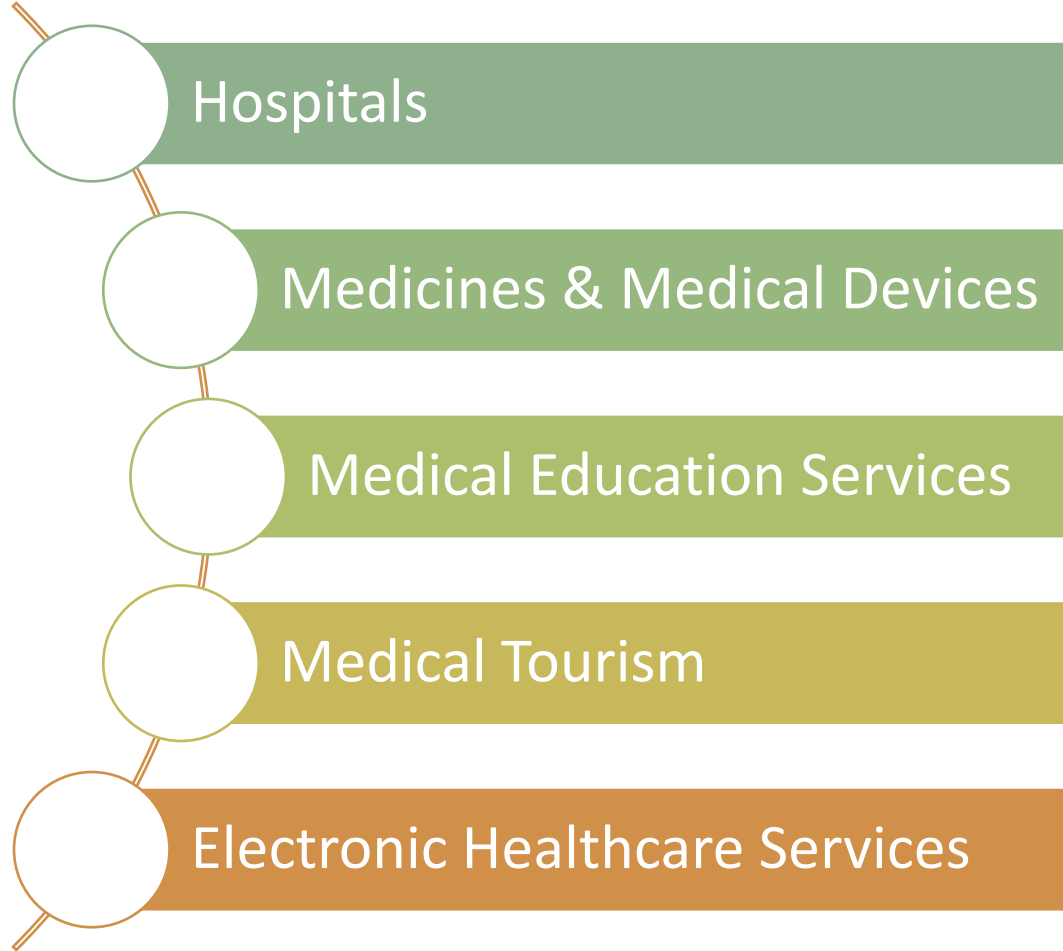




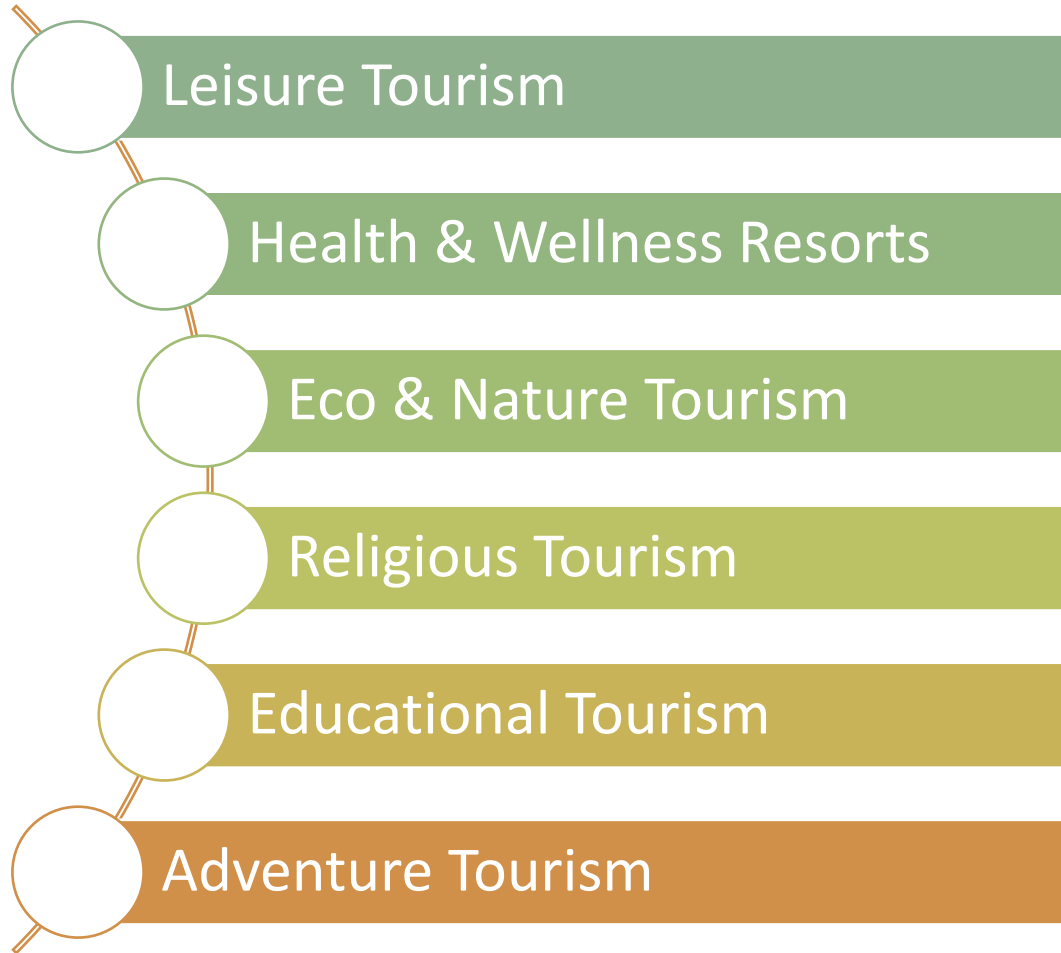
Industry



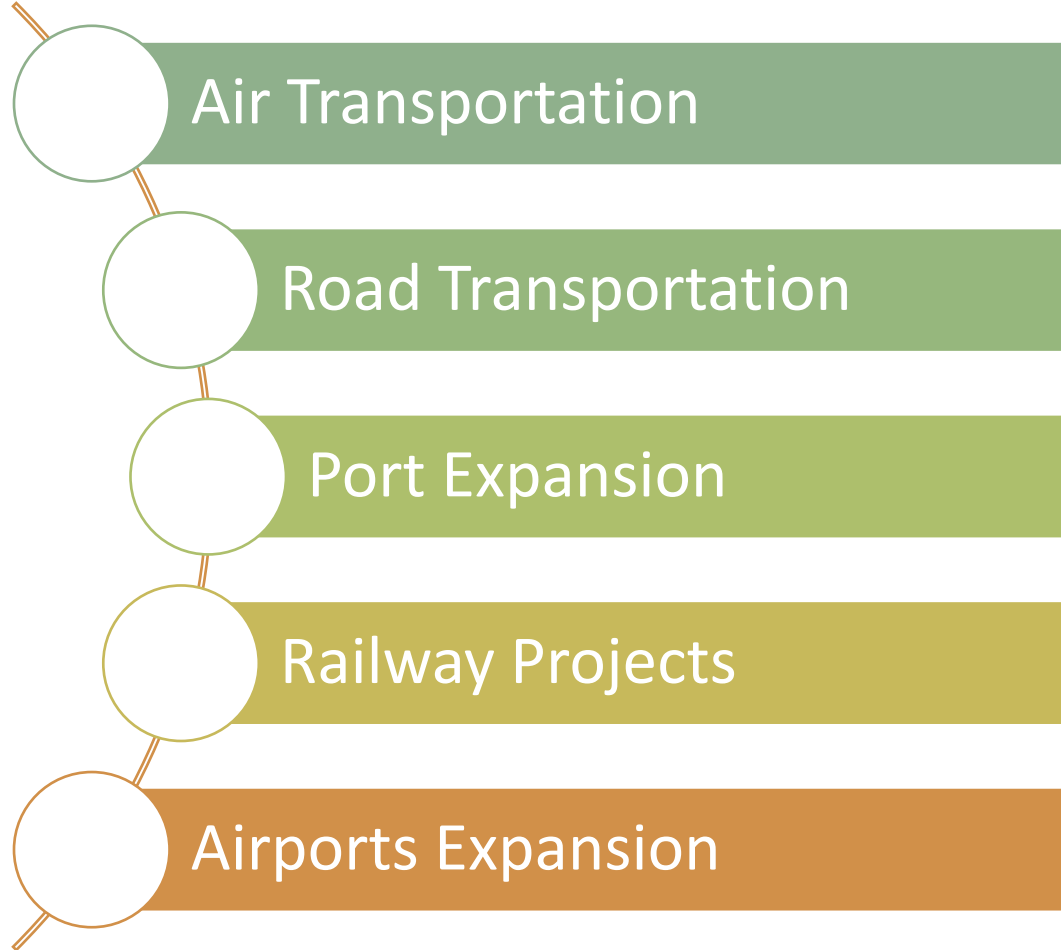
Healthcare



Tourism



Transportation & Logistics



“Rethink Market Access and Invest in New Opportunities”

Thank you for your Attention

