

Select Jordan



وَدَارَةُ الْاِسْتِثْمَارِ
MINISTRY OF INVESTMENT



Why Invest in Jordan

01

Why Jordan

02

The New Investment laws: Privileges and Exemptions

03

Economic Modernization Vision: Promising Sectors

04

Opportunities: Investment Map / Mega Projects



Why Invest in Jordan

(1) Enabling Environment



A large pool of high caliber intellectual and professional expertise



A Judicial system that adheres to international standards



Modern Infrastructure & Strong Banking and Financial Institutions



Investor Protection and Equal Treatment



Why Invest in Jordan

(2) Jordan's Strategic Location

- Located at the heart of the MENA region, Jordan Serves as a trade and Investment Gateway for key markets (Iraq and GCC)
- Regional hub for Business Process Outsourcing (BPO).
- Access to 1.5 billion consumers taking advantage of various Free Trade Agreements



Key Trade Partners:

Key Importers

- USA, Saudi Arabia, Iraq, UAE

Key Exporters

- KSA, China, USA, Germany, UAE

Regional Free Trade Area

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

Bilateral FTAs

- USA
- UK-Jordan association agreement
- Singapore
- Canada

Why Invest in Jordan

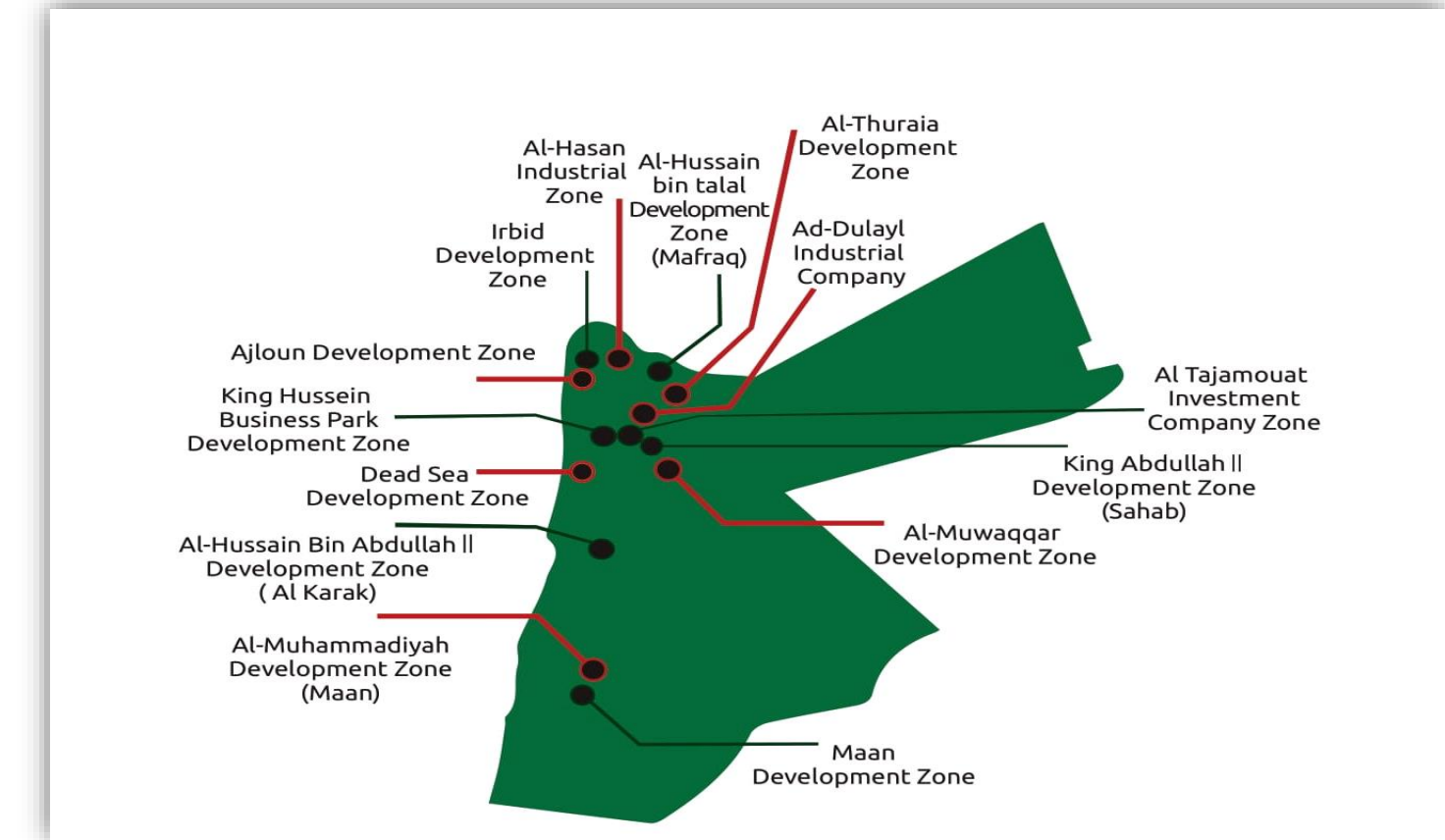
(3) Specialized Development Zones have been established across Jordan

Developed land plots, infrastructure, road networks and ancillary services

Investor's choice of either owning or renting the property with Competitive selling prices, and rental rates

Special Fiscal Incentives and benefits

Development Zones

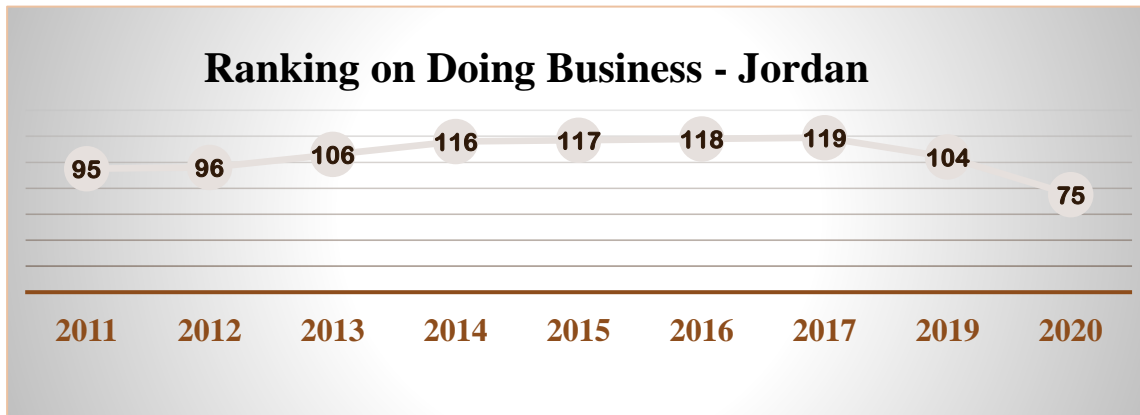


• Industrial (Light And Medium), Tourism and Hospitality, ICT, Service , Healthcare, and Logistics.

Why Invest in Jordan

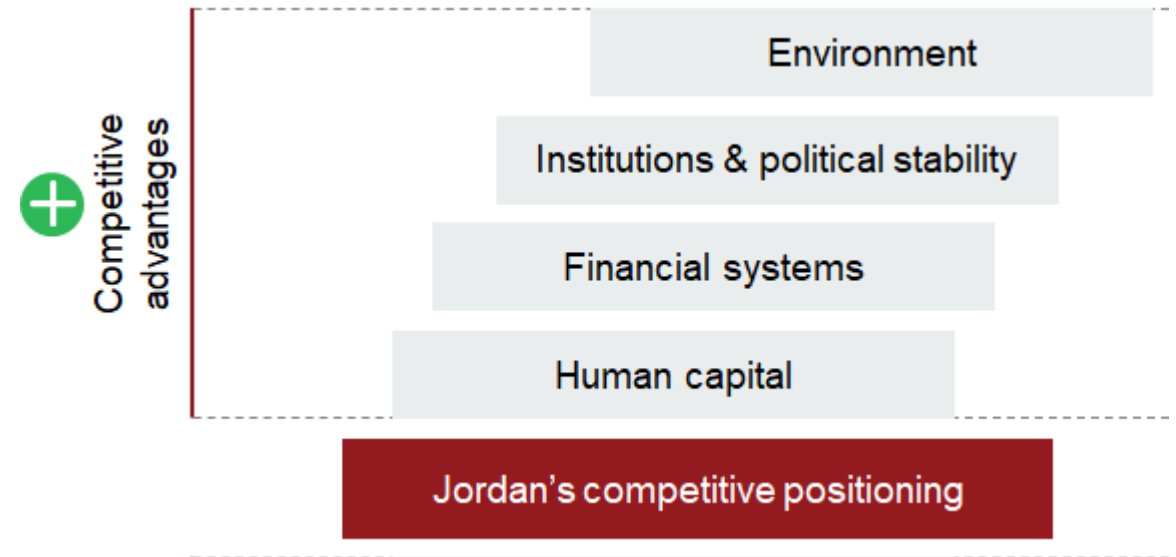
(4) Competitiveness position & Ease of Doing Business in Jordan

World Bank Group's report, Doing Business 2020,



Jordan has witnessed an unprecedented leap in the World Bank Group's report, Doing Business 2020, becoming among the top three countries in the world in implementing reforms globally.

WEF's Global Competitiveness Indices (GCI)



Jordan is working on improving the investment and business landscape, and upgrading its economic legislation framework.

Main Pillars for improving the investment environment in Jordan

**Economic Modernization Vision
2022-2033**



New Investment Law, 2022



**Investment promotion strategy
2023-2026**



Investment Environment Law No.21 of the Year 2022

General Principles

The Investor has the right to:

- Invest in the Kingdom by possessing full ownership or by partnership or shareholding in any economic activity, except for the economic Activities that are restricted by virtue of a regulation.
- Convert the legally used currency in the Kingdom into a convertible currency.
- Transfer convertible currencies inside and outside Kingdom without delay and in accordance with international financial practices and applicable legislation.
- Employ non-Jordanian in administrative and technical jobs that require specialized skills at a rate of no more than 25% of total number of employees, and the said percentage may be increased to no more than 40% in the event that it is not possible to provide Jordanian labor-force for the said jobs.
- Liquidate or terminate the investment activities thereof.

The Economic Activities:

Any in Industrial, commercial, agricultural, tourism, IT or creative industry activity, and shall not include banking, money exchange or professional activities regulated under special legislations.

The General Investment Policy in the Kingdom shall be based on the following principles:

- Equality between the Jordanian investor and the non- Jordanian investor in the rights, privileges and duties, and to treat all the investors in fair, equitable and transparent treatment.
- Protection of the investments and non-interference in the Activities, rights and interests that are legally recognized for the investor.
- Shifting from the principle of prior control to post control, in accordance with the previously announced business practice requirements.
- Stimulating and encouraging the investment in entrepreneurship and innovation projects as well as the R&D projects.

Incentives Granted Inside the Development Zones

Income tax on the institutions registered in developmental zones

Institutions registered in developmental zones arising from processing industries with local added-value of not less than (30%)	5%
Institutions registered in developmental zones for the rest of projects and activities	10%

Other Incentives:

- The general sales tax provided for under the General Sales Tax Law on commodities and services which the registered enterprise purchases or imports for the purposes of exercising its economic activity within the development areas shall be reduced to (zero) percent.
- The registered enterprises which exercise economic activity in the development zone shall enjoy exemption of materials, equipment, machines, supplies, and building materials used in building, constructing, preparing and furnishing all types of projects established by the enterprises in the development zone, including spare parts required for continued maintenance thereof , and goods imported into the development zone for carrying on the economic activity or exported there from outside the Kingdom from customs duties excluding export fees , service fees and payable wages according to the legislations in force .

Incentives Granted Inside the Free Zones

Exemption from income tax on profits derived from the following:

- Exporting the services outside the Kingdom.
- Transit trade.
- The sale or transfer of the goods within the boundaries of the free zones.
- Providing and supplying the services within the free zone.

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

Exemption from custom duties and all other taxes and fees imposed on the goods exported from the free zone to other than the local market and on the imported materials used in building, constructing, equipping, and furnishing all type of the projects that are established by the registered Enterprise in the free Zone, including the materials, equipment, machines, fixtures, building materials and materials necessary for the infrastructure and spare parts needed for its ongoing maintenance.

Incentives Granted Outside the Development Zones and the Free Zones



Exemptions & incentives related to price of the sake or rent



Deduct costs of the infrastructure services that the investors have delivered to the economic activity .

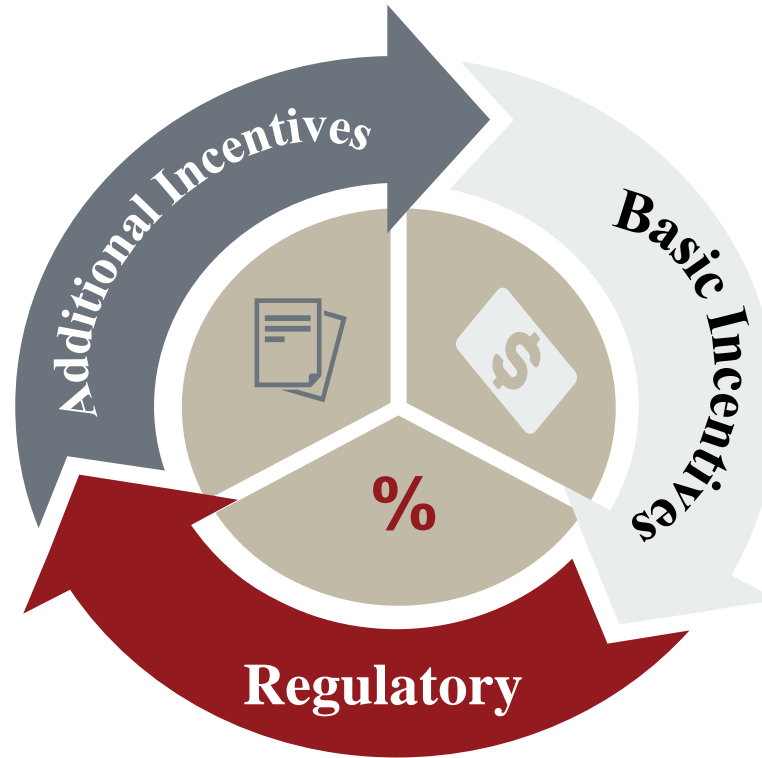


Social Security

Tax or customs exemptions or reduction



Subsidizing energy & water cost & supporting renewable energy.



Ability to grant one approval

The cabinet may grant one approval to establish an investment project if this project constitutes a strategic economic activity that contributes to achieving sustainable development.



Customs Duty Exemption

The fixed assets, inputs, production requirements, and spare parts.



Corporate Tax Exemption

The due income Tax shall be exempted or reduced by no less than (30%) on the Economic Activities in the least development region in the Kingdom or the projects that employ at least (250) Jordanian, and a period of maximum (5) Year



Corporate Tax Reduction

Economic Modernization Vision



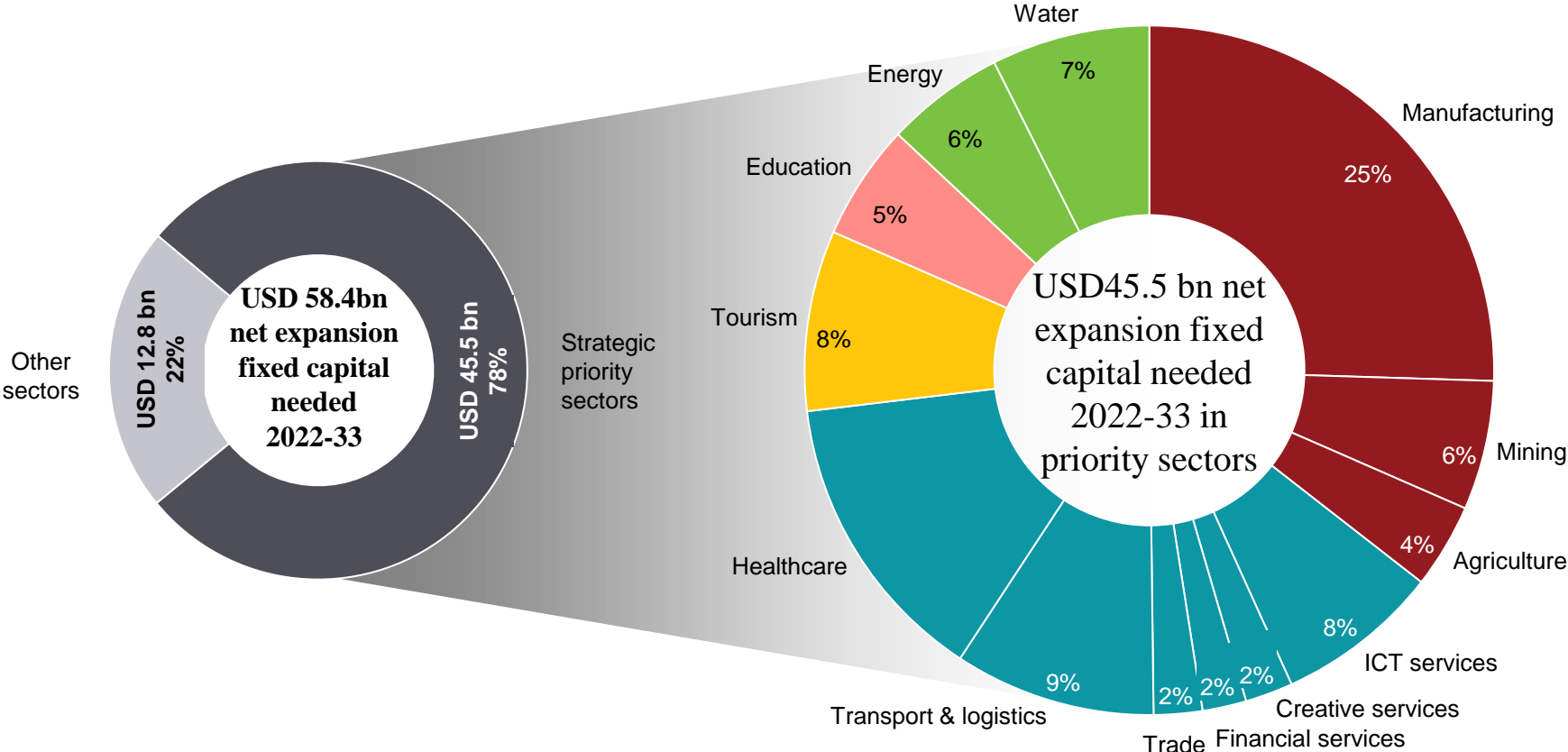
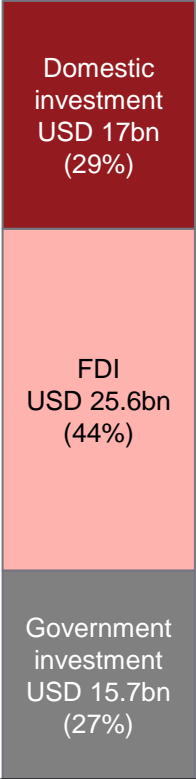
Economic Modernization Vision

رؤية التحديث الاقتصادي

إطلاق الإمكانيات لبناء المستقبل

Fixed Capital Needs Per Sector

USD 58.4bn



- Sustainable resources
- Smart Jordan
- Destination Jordan
- Future Services
- High-value Industrials

Investment opportunities “In Billion USD”

17.1

Future Services



Healthcare



Transport & logistics



ICT services



Financial services



Trade



Creative services

16.2

High Value Industries



Textile products



Mining



Pharmaceuticals



Agriculture



Engineered products



Chemical products



Food products

5.9

Sustainable Resources



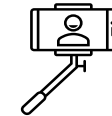
Water



Energy

10.2

Destination Jordan



Tourism

2.5

Smart Jordan



Education

Opportunities: Investment Map / Mega Projects

Investment Opportunities



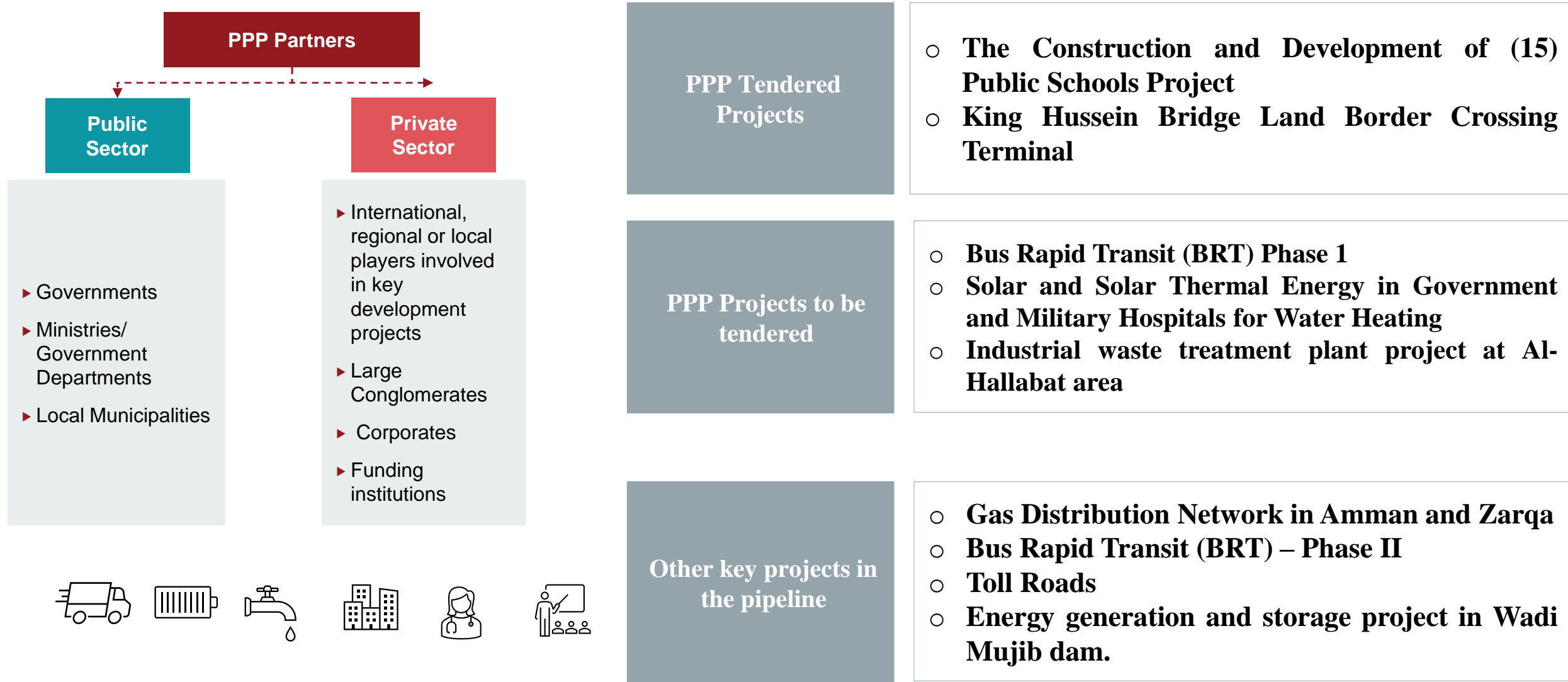
Industrial Sector

Service Sector (ICT, Commercial, Complexes, Exhibition Centers, Residential)

Tourism Sector (Hotel Facilities, Restaurants, Entertainment Cities, Eco-tourism)

Agricultural Sector (Agriculture, Fish Farming, Livestock, Agribusiness)

Private Sector Partnership (PPP) Parties





وَدَارَةُ الْاِسْتِمَارِ
MINISTRY OF INVESTMENT

Thank You