



Business opportunities in Jordan

**Laith ALRahahleh
Project Coordinator
2019**

Quick facts

Small country

**Population
30% Refugees**

Climate

**Water and Energy
are very limited**



**Demographic
opportunity**

**Physicians and
Engineers**

**Half million in
GCCs**

**20% of GDP is
remittances**

**23% of MENA's
entrepreneur**

Political Environment

- Before 1916 was part of the Ottoman Empire
- 1921, partial independent (Transjordan)
- On 25th May, Jordan become an independent state
- Parliamentary with a hereditary monarchy system
- Three well independent Authorities;
 - ✓ Executive (Head by the King)
 - ✓ Legislative (Lower and Upper house)
 - ✓ Judicial (Conciliation, appeals and Cassation courts)
- Disengagement decision



Migration influxes

Refugees	Number	Source	Date
Syrians	629,883	UNHCR	2015
Palestine	2,097,338	UNRWA	2014
Palestine from Syria	15,000	UNRWA	2015
Iraqi	50,000	UNHRC	2017
TOTAL	2,792,221		

*Therefore, the challenge is (how to simulate the **Economic growth** and **create more jobs** and **host all refugees** without any **Environmental damage**)*



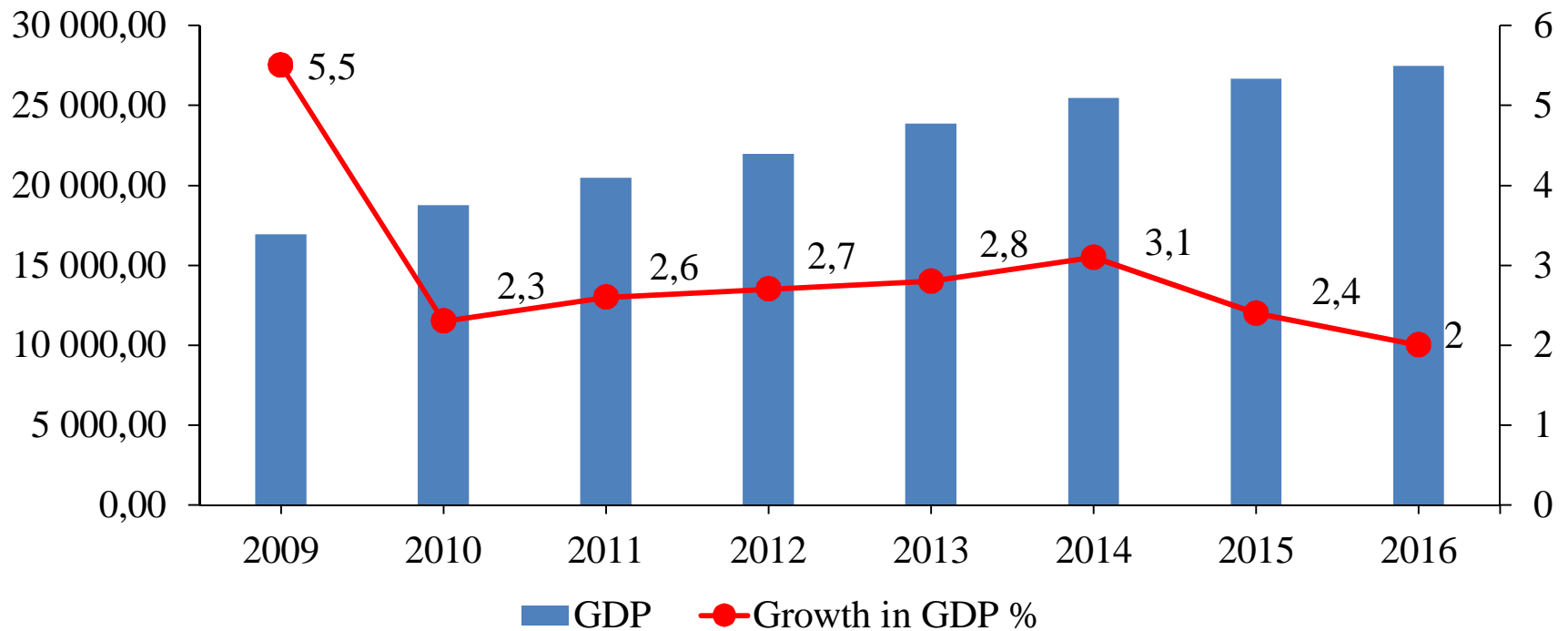
Economy of Jordan

- The economy is classified as an **upper middle liberal economy**
- The economy relies on foreign trade for its energy and natural resources (**approximately 20% the cost of energy bill**)
- According to Heritage index, **3th freest economy** in the region and **the 3^{5h} Worldwide**
- The Economy has achieved consistent GDP growth averaging 5.4% over the last decade, thereafter, declined up to 2% (2016)
- This is caused by; closure of Iraq and Syrian borders, lower tourism and regional instability circumstances



Economic Indicators

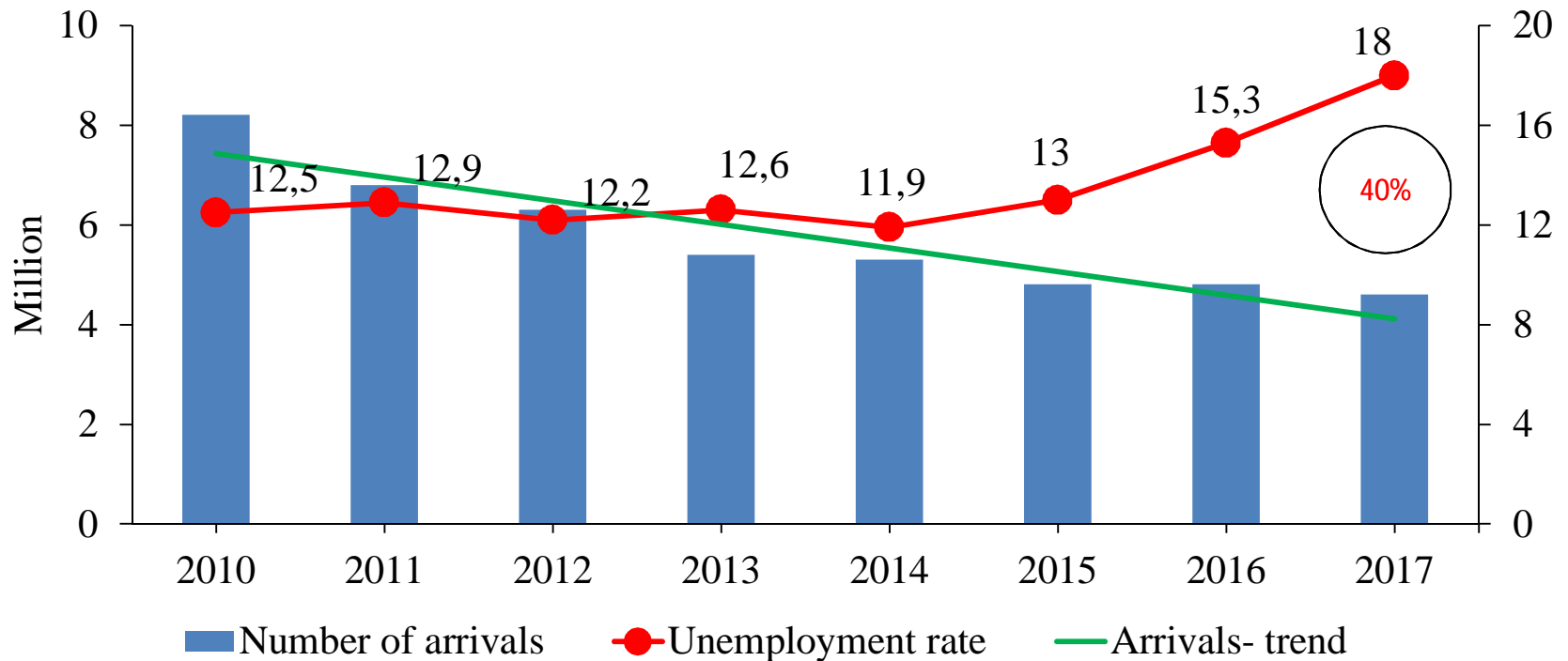
GDP and its Growth



Source: Central Bank of Jordan CBJ, Annual Report 2016



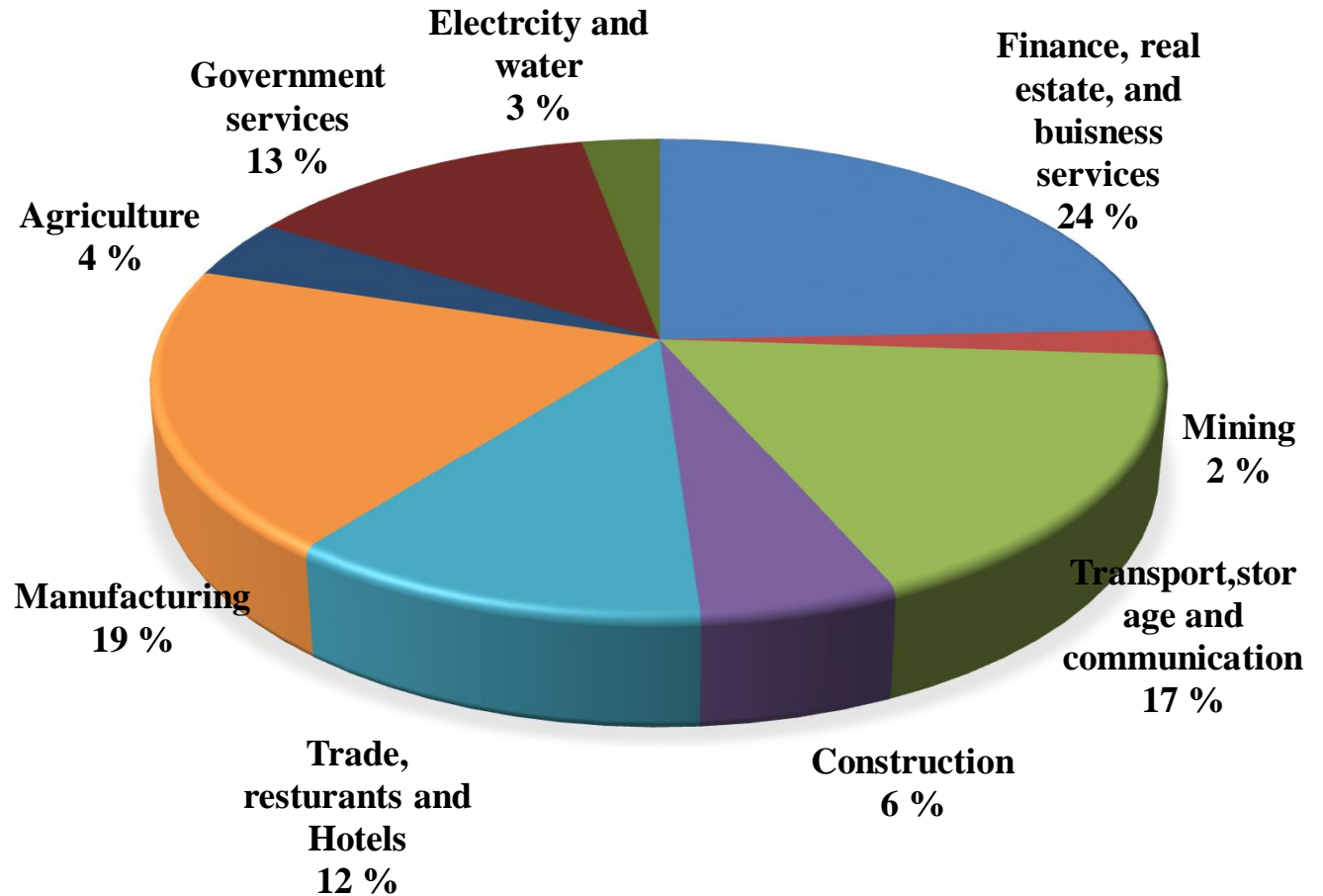
Number of tourists and unemployment rate



Source: Central Bank of Jordan CBJ, Annual Report 2016



Share of each sector in the GDP



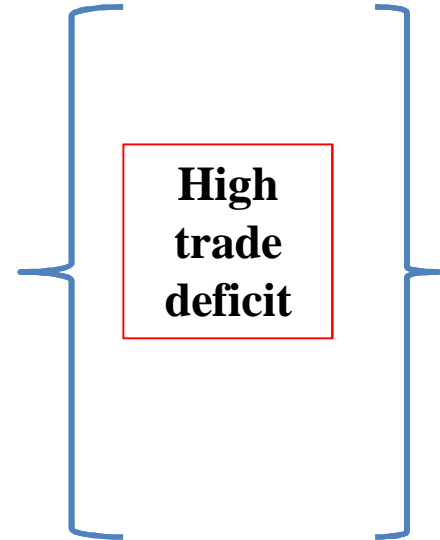
Exports and Imports

Imports (18.21 billion US Dollar)

- Crude Oil
- Refined Petroleum products
- Cereals
- Machinery
- Iron
- Transport equipment's

Exports (7.511 Billion US Dollar)

- Textiles
- Fertilizers
- Potash
- Phosphates
- Vegetables
- Pharmaceuticals products



Trade flow between Jordan and EU

Country	Export (M EU)	% of total EU27	Import (M EU)	% of total EU27
Finland	336,232	< 1 (336,000)	34,935,878	< 1 (35,000,000)
Sweden	4,929,925	1.4	65,285,559	1.59
Netherland	46,153,053	12.9	497,258,559	12.09
Denmark	2,329,607	0.65	57,193,995	1.39
France	12,698,995	3.56	260,687,566	6.34
Germany	22,978,098	6.44	749,233,579	18.21
UK	55,886,342	15.65	390, 741, 364	9.5
Total EU27	357,057,889		4,114,125,167	

Source: Ministry of Industry, Trade and supply 2017



Jordan Economic Growth Plan 2018-2022

- The JEGP aims to double the economy growth, reducing the debt burden, creating more jobs and increasing the income level
- Doubling the economic growth would require an increase in the of the growth rate at least by 5%, equivalents to 1.8 US dollar annually
- Main pillars for the JEGP are;
 - ✓ Green Corridor
 - ✓ smart urban transformation
 - ✓ rural resilience





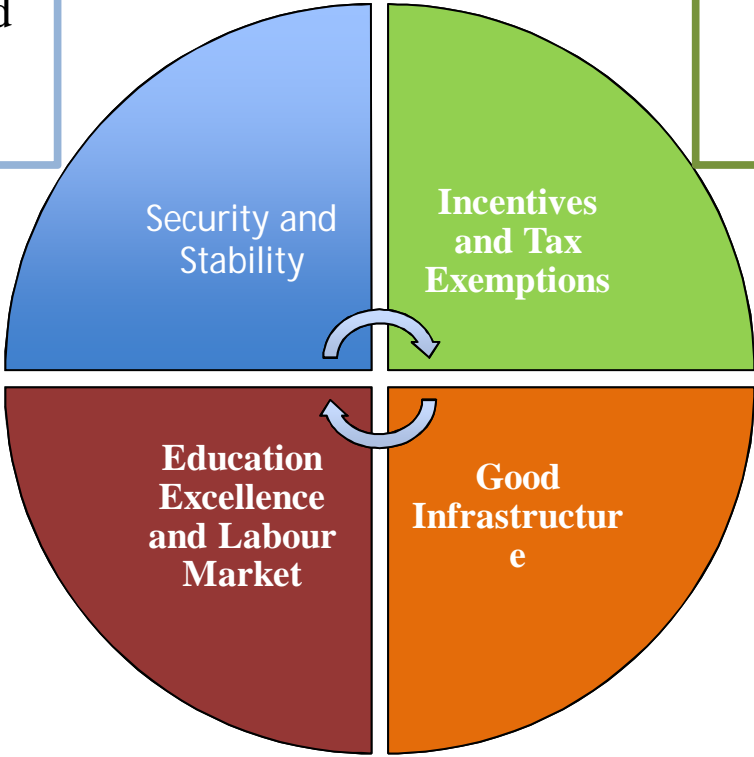
Why to invest in Jordan



finpetra.karelia.fi

- 22th most safe country in the world
- Second 2th safe in the region

- Hosts 10% of total Arab Universities
- Labour market ranks high in terms of quality of higher education



- Production inputs and requirements and fixed assets are exempted for custom duties

- Jordan infrastructure ranked 38th out of 148 comparable economies
- 8000 Km of road network



One more reason

Member of **WTO**
agreement since 2000

Member in **8** Trade Free
Agreements (**FTAs**)

Member in **55** Bilateral
Investment Treaties

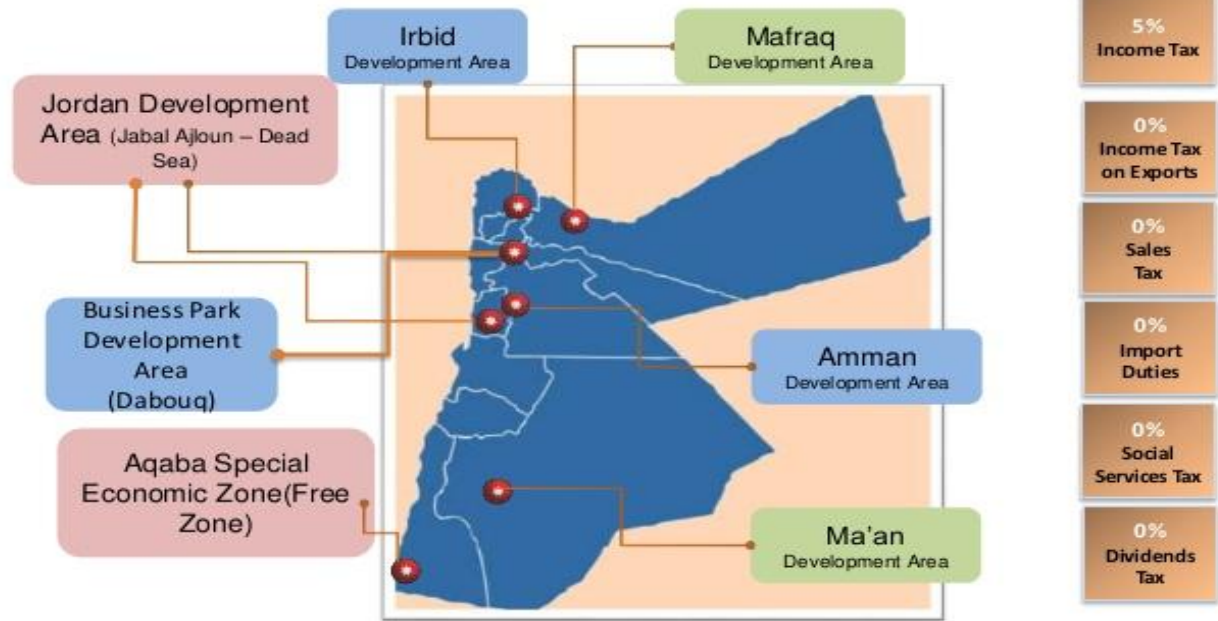
Member in **27** Double
taxation Treaties



**Another
more reason**

Development Zones

designed to leverage the unique investment characteristics of every region



Business opportunities in ICT sector

- The Country is a regional hub for tech start-ups that serve the wider MENA region
- 150 e-government services are now available in various government institutions

Gaming

- Half of the world's mobile games are produced in Jordan, 29% annual growth rate
- The Middle Eastern mobile gaming sector is the fastest growing in the world

Online & Mobile

- 75% of Arabic internet content is generated in Jordan
- competitive environment for investment in content applications and e-learning
- Competitive priced broadband internet tariffsctor





(Investing in Jordan is in reality a much larger than investment in stability and but also for the region)

His Majesty King Abduallh the Second



Leverage from
the EU
2014-2020



finpetra.karelia.fi



TOWARDS LOW-CARBON FUTURE

High-powered network
linking the North Karelia with Middle East



finpetra.karelia.fi