

Clarifying

Q.I.Z.

Qualifying Industrial Zone

QUESTIONS & ANSWERS

What is a QIZ?

A QIZ or a "Qualifying Industrial Zone" is any area that has been specified as such by the U.S. Government, and designated by local authorities as an enclave where merchandise may enter U.S. markets without payment of duty or excise taxes, and without the requirement of any reciprocal benefits. A QIZ should encompass portions of the territory of Jordan and Israel.

What does the QIZ offer?

The QIZ represents an unprecedented opportunity to gain duty-free access to the U.S. market. Thus, eligible products will be more price competitive.

How many QIZs are there?

On March 6, 1998 the U.S. Trade Representative (UTSR) designated the Al-Hassan Industrial Estate as a "Qualifying Industrial Zone". This is the first QIZ designated by the USTR. Other areas in Jordan and Israel that meet eligibility requirements will be designated as QIZs in the near future.

What does designation of a QIZ do to Jordan?

Designation of the Al-Hassan Industrial Estate at Irbid, north of Jordan, as the First QIZ in the world, makes the products produced in this Estate eligible for duty-free entry into the United States, provided they meet certain criteria. In many cases, this means that products produced in the zone can enter the U.S. at lower, more competitive prices than similar products from other countries. Moreover, the QIZ will increase Jordan's export to the U.S. market, which will provide significant incentives for foreign investments in Jordan, especially from the U.S., Europe, Arab countries and East Asian countries. It will assist in transferring advanced technology to Jordan, and maintaining long-term growth. It will help to create new jobs, enhance productivity, and strengthen competitiveness of Jordanian products in global markets.

How much in U.S. Customs tariff would the investor be saving?

- From 20% up to 33.6% on woven fabrics, textiles, garments, swimwear, body suits, shirts, trousers, suits, jackets, raincoats, underwear, blouses, skirts, blazers, ski-suits, anoraks, for both women and men.
- From 25% up to 48% on footwear: waterproof, with metal toe-cap, covering the knee, covering the ankle, sports footwear, designed for use without closure, work footwear, footwear with open toes or open heels, footwear of the slip-on type, and parts of footwear.
- From 18% up to 34.2% on tableware, kitchenware, other household and toilet articles of porcelain or china, hotel or restaurant ware, glassware, ceramic tableware, glass ceramics, drinking glasses, other glassware of lead crystal.
- At 75% on perfumes and toilet waters containing or not containing alcohol.
- At 49% on medicaments containing Penicillin or derivatives thereof.
- At 45% on medicaments for veterinary use.

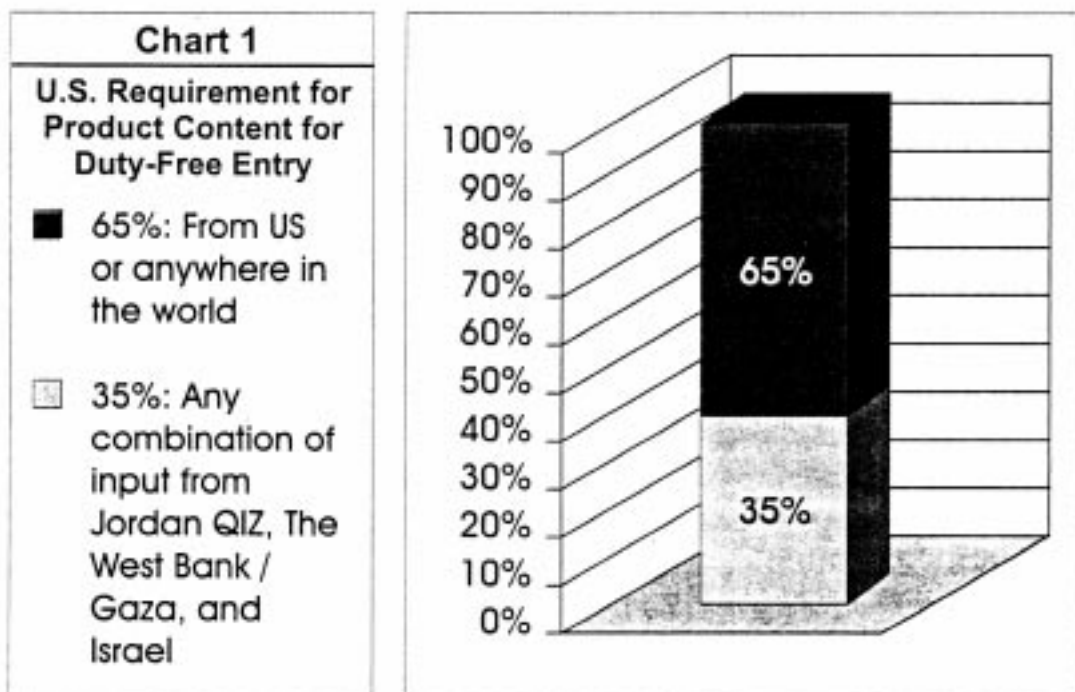
Qualifying Your Product

What is the primary requirement for obtaining duty-free treatment?

The primary requirement is that 35% of the appraised value of a product (cost of content plus direct cost of producing operations) (chart 1) must be maintained by a manufacturer located within the QIZ, as follows:-

First:-

If the manufacturer on the Jordanian side of the QIZ and the Israeli manufacturer each contribute and maintain at least one third of the minimum 35% content required under the Legislation and Proclamation for duty-free treatment in the United States; (The Israeli content was reduced to 7% for high-tech products and to 8% for other industries. for a period of five years starting February 1999).

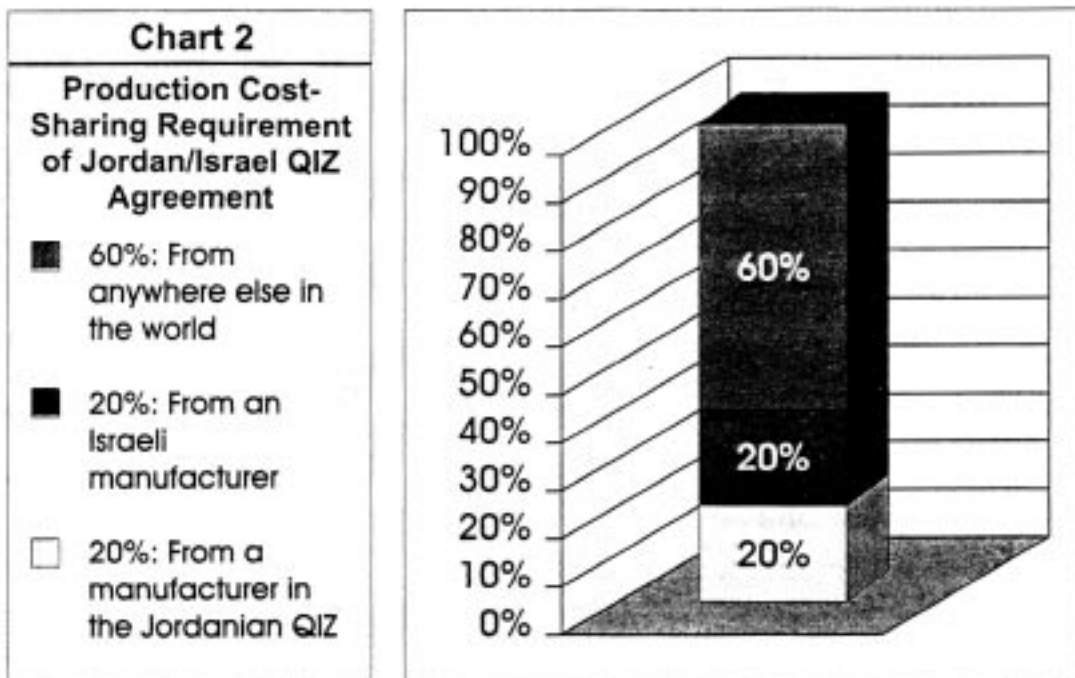


Second:-

If the manufacturer on the Jordanian side of the QIZ and the Israeli manufacturer each contribute and maintain at least 20% of the total cost of production of goods eligible for duty-free treatment, excluding profits, even if the costs cannot be considered as part of the 35% minimum content requirement (chart 2).

Third:-

A situation where one party contributes to the product in accordance to alternative First and the other party contributes to the same product in accordance to the alternative Second is permitted (i.e. Mixing and matching of First and Second between the two parties).



Is every product produced in a QIZ entitled to duty-free entry into the U.S.? What rules of origin apply?

No. Products from QIZs are entitled for duty-free entry if and only if:

- 1- It is wholly the growth, product or manufacture of the QIZ or a new or different article of commerce that has been grown, produced or manufactured in the QIZ.
- 2- The sum of:
 - I- The cost or value of the materials produced in QIZ, the West Bank/Gaza Strip or Israel, plus
 - II- The direct costs of processing operations performed in the QIZ, The West Bank/Gaza Strip or Israel, is not less than 35% of the appraised value of such articles; and
- 3- It is imported from QIZ or Israel.

No article should be considered a new or different article of commerce, and no materials shall be included for purposes of determining the 35% requirement, by virtue of merely having undergone simple combining or packaging operations, or mere dilution with water, or with another substance that does not materially alter the characteristics of the article.

Materials which are used in the production of articles in the QIZ, West Bank/Gaza Strip, or Israel, and which are the product of the U.S. may be counted in an amount up to 15% of the appraised value of such articles.

How is a new and different article of commerce defined?

A new and different article of commerce is one which has been substantially transformed as a result of manufacture in a QIZ into an article having a new name, character or use. Examples of substantial transformation include weaving fabric from yarn, making orange juice concentrate from oranges and other ingredients and so on.

How does the U.S. Customs determine the "Appraised Value" of imported merchandise from the QIZ against which the 35% value-content requirement is calculated? Does the appraised value include costs incurred subsequent to manufacture in the QIZ, such as shipping and insurance costs and taxes?

Appraised value is determined in accordance with the WTO Agreement on Customs Valuation. Generally, the appraised value of all merchandise imported into the U.S. is transaction value of the goods. Transaction value is the price actually paid or payable by the buyer to the seller for the merchandise when sold for exportation to the U.S., plus certain amounts such as the packing costs incurred by the buyer. Transaction value does not include international freight, insurance and other C.I.F. charges that the buyer makes to the seller. It also does not include the cost to transport goods after importation into the U.S. or U.S. Federal Duties or Taxes. Taxes assessed by a Foreign Government which are included in the price actually paid or payable by the buyer to the seller are included in the transaction value, unless the taxes are refunded by the Foreign Government prior to the importation of the goods into the U.S.

Who qualifies the products?

A joint committee was formed with two co-chairmen: a Jordanian appointed by the Jordanian Government and an Israeli appointed by the Israeli Government to approve all products complying with the QIZ agreement. Coordination will be made via the co-chairmen of the committee. The co-chairmen are responsible for filing and keeping all submitted material for a period of at least five years.

What is the Committee's Jurisdiction?

The committee is authorized to approve products produced in the QIZ in accordance with the QIZ agreement. The reply of the committee (approval or denial) will be sent to the applicant by the chairman from his respective country.

What happens in the case of denial?

In case of denial, the applicant is allowed to appeal to a board of appeals. A Board of Appeals appointed by the parties will deal with appeals. The board of appeals will convene within 30 days of the appeal.

Qualified Product Request

1- Company:

Manufacturer

Exporter

2- Company Reg. No. Date

3- Registered Capital (JD & USD)

4- Volume of Investment (JD & USD)

5- Authorized Signatory:

Name:

Title :

6- Address:

Location: City:

Tel: Fax:

P.O.Box E-mail:

7- Products of Company (General Description)



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8- Qualified Product:

Product	Capacity
.....

(THE FOLLOWING RELATES TO QUALIFIED PRODUCTS ONLY)

9- Employees:

9.1 Direct Labor Cost:

Title	No.	Salaries & Fringe Benefits

9.2 Indirect Labor Cost:

Title	No.	Salaries & Fringe Benefits

10- Inputs:

10.1- Major Inputs:

Material	Type (Raw, Inter, Other)	HTS	Source	Qty (unit)	Cost (USD)

10.2- Other Inputs:

Material	Type (Acc., Aux., Anc.)	HTS	Source	Qty (unit)	Cost (USD)

Acc.: Accessories Aux.: Auxiliaries Anc.: Anciliaries

11- Total Cost (USD):

11.1- Material Cost:

QIZ Jordan

Israel

Gaza Strip

West Bank

U.S.A.

Others

11.2- Labor:

Direct

Indirect

11.3- Processing Cost:

Direct

Indirect

11.4- Fob Price

Important Notice

- In case of change of source (seller) of Inputs, at any stage of production of qualified product, the committee must be immediately notified.
- In calculating Annual Capacity, working hrs/day and working days/year must be shown.

Information to include on the declaration of the QIZ Manufacturer or exporter.

The Exporter or Manufacturer should submit to the Joint Committee a declaration that sets forth information about the QIZ – originating merchandise, including the following :

- a- A description of the articles to be exported, quantities, numbers and marks of packages.
- b- A description of the operations performed in the production of the articles in the West Bank, Gaza Strip, a QIZ or Israel and an identification of the direct costs of processing operations.
- c- A description of the materials used in the production of the articles which originate in the west Bank, the Gaza Strip, a QIZ, Israel or the United States, and a statement as to the cost or value of such materials.
- d- A description of the operations performed on, and a statement as to the origin and cost or value of, any foreign materials used in the exported articles which are claimed to have been sufficiently processed in the West Bank, the Gaza Strip, a QIZ or Israel so as to qualify as materials produced in the West Bank, the Gaza Strip, a QIZ or Israel.

e- A description of the origin and cost or value of any foreign materials used in the article which have not been sufficiently processed in the West Bank, Gaza Strip or a QIZ so as to qualify as materials produced in these areas.

I hereby certify that all information given are correct and documented for verification.

Date

Signature

Name

Title

For Committee Use Only

• Received by Date

Comments:

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Sig
Name

Sig
Name

Date

To whom is the Application submitted?

The applicant will submit his application to his respective chairman on a form designed and agreed upon by the committee.

Who is responsible for checking each application?

Is there a time limit on such a check?

Each chairman is responsible to check that the application from his respective country was filled correctly. If the application is incorrectly or not fully filled, the respective chairman will request its completion within 10 days. The co-chairmen have to reach a decision within ten days from receiving all pertinent material and correctly filled forms.

How is the other chairman notified and with what information?

The chairman that receives the application has to notify his co-chairman and convey the following information:

- 1- name of applicant
- 2- name of product and HS number (at least six digits)
- 3- names of parties on both sides of the border
- 4- appraised value (A)
- 5- full cost of production (C)
- 6- Israeli portion of appraised value (I) and the names of Israeli companies that contribute to – (I)
- 7- Jordanian portion of appraised value (J) and the names of Jordanian companies that contribute to –(J)
- 8- Portion of American share of appraised Value (U)
- 9- Portion of Palestinian share of appraised value (P)
It should be stated if the source is in the GAZA Strip or on the West Bank and list the names of the Palestinian companies that contribute to – (P)
- 10- Portion of other countries' share of appraised value (W)

How is the approval of each application granted?

- 1- Each chairman will inform his respective applicant of the approval granted to export to the U.S. in accordance with the QIZ agreement.
- 2- Approval Forms will include a detailed list of approved products (per item).
- 3- The approval will be given for a period of 12 months.
- 4- Two months prior to its expiry date, the applicants will submit their new figures.
- 5- Provided they comply with the conditions, the approval will be renewed for another 12 months.
- 6- The approval may be granted for a shorter period of time, subject to considerations of the committee.
- 7- The two chairmen will, each, report the approvals to the U.S. customs via the diplomatic channels in their countries.

Once granted, can the approval be canceled?

Yes. If, during the period of the approval, it is found that the approved enterprises do not comply with the conditions stated in the QIZ agreement, the approval will be canceled forthwith. The decision to cancel the approval will be taken jointly by both chairmen. Upon cancellation of an approval, both chairmen will report separately to the U.S. customs via the diplomatic channels in their countries.

To whom should the appeal be submitted?

An appeal on a cancellation of approval should be submitted to the Board of Appeals.

What are the applicant's obligations?

- 1- The applicant is responsible for the verification and authenticity of the information and figures he submits. The committee is entitled to verify the information but the legal liability lies only with the applicant.
- 2- The applicant is obliged to report to his respective chairman on any change or deviation from the original application that has any relevance to the QIZ agreement.

Is there a liability on Jordan and Israel?

Each of the parties, Jordan and Israel, is obliged to report any contravention of the QIZ conditions to the other side. Each party is allowed to request cooperation in its investigation of a case. If an investigation does take place, the investigating party will report its outcome to the other, if requested to do so, within three months.

Setting up your Project

What is Al-Hassan Industrial Estate?

The Al-Hassan Industrial Estate is located in the northern part of the Kingdom, near-by the University of Science and Technology at Irbid Governorate. The Estate has a total area of (427000) Square meters, which was completed in mid of 1991, enjoying the same infrastructure services available at the Amman Industrial Estate.

Sixty projects have been established within this Industrial Estate, employing more than 4200 people.

The first phase of the Industrial Estate is fully occupied, and due to the numerous demands by new investors, JIEC is in the process of developing an area around 344000 Square meters adjacent to the Estate and is expected to be completed by July 1999. While under construction, more than twenty local, foreign and joint venture companies have committed themselves to invest in the area. JIEC may consider further expansion to accommodate possible increase in demand.

What Industrial Sectors are available in this Estate?

The Industrial Sectors are the following: Engineering (Metal, Electrical & Electronic), Pharmaceuticals, Food sector, Chemicals, Plastics, Rubber, Wood industries, Cotton and Weaving, Leather, Furniture and Construction industries. JIEC's goals do not stop at accommodating industrial projects but also in trying to attract highly developed technological industries in order to create skillful and highly trained workers who will be able to contribute to the economic and social development of the Kingdom.

What benefits will I attain from locating my project within an industrial Estate over and above what the QIZ will offer me?

The following incentives and facilities are offered by JIEC to whomever locates his industry within one of our Industrial Estates which by January 2003 will exist in every major city in the Kingdom.

Incentives and facilities offered by the Industrial Estates

- 1- All plots of land are leveled and developed in different sizes supplied with all infrastructure services (*Electricity, telecommunications, Water and Sewage networks, Water Treatment Plant, Roads and Parking lots.*)
- 2- Area of land is the net area after the deduction of all roads and side-walks with more flexibility in the usage of land.
- 3- Different sizes of ready-made Standard Factory Buildings with high standards to meet the requirements of different industries.
- 4- The presence of many ancillary services backboning the industries such as : *Vocational training center, secondary high school, petrol and maintenance stations, fire station, clinics, banks, shops, cafeteria ,post office, labor office, insurance, advertising , exhibition for the industrial products, Security Services, Social Security Offices, a branch of the Development of Exports and Commercial Centers Corp, Investors Services Bureau Liaison Office for the Armed Forces at Amman Industrial Estate, customs & clearance centers and banks bonded and a free zone area . Liaison Office for Science & Technology University at Al-Hassan Industrial Estates.*
- 5- In addition to the exemptions that may be granted to an industrial project under the Investment Promotion Law industrial projects established within the Industrial Estates are granted two years of income and social services tax exemptions, commencing from the date of production.
- 6- Exemptions from Building and Land tax (property tax) for the whole life of the project.
- 7- Full or partial exemptions from most Municipalities and Planning fees.
- 8- Building license will be ready in less than a week from the date of submitting the plans.

- 9- Profession license and other licenses will be ready in the same day.
- 10-Saving time, effort and money on the industrial investor due to his dealing directly with the Corporation and the services it offers.
- 11-The industrial investor has the right to choose whether to lease or buy a plot of land or a standard factory building as follows:

Al-Hassan Industrial Estate / Irbid Governorate

Leasing of free developed plots of land :

JD 2.5 / Square meter / annum

Rent of Standard Factory Buildings :

JD 15 / Square meter / annum

Selling price of land :

JD 30 / Square meter

In addition to the above-mentioned advantages and incentives, there are the following laws which add to the incentives offered to the investor:

- The Investment Promotion Law No. 16 for the year 1995:
 - 100% Exemption from taxes and fees:
 - Fixed assets.
 - Spare Parts.
 - Fixed assets for expansion and modernizing.
 - Projects are exempted from Social and Income Taxes for a period of 10 years in the following percentages depending on the area:
 - 25% if the project is in a class A development area.
 - 50% if the project is in a class B development area.
 - 75% if the project is in a class C development area.


Al-Hassan Industrial Estate falls in development Area B, thus all projects situated there are exempted from 50% of Social and Income Taxes for the period of 10 years.

- Foreign and local investments are equally treated in Jordan. A foreign investor may own up to 100% in industry, without a need to have a local partner.

Are there other Industrial Estates being considered for QIZ designation?

The Government of Jordan is working on qualifying other Industrial Estates in the Kingdom.

The new designations will help J.I.E.C to attract further investments from Jordan and abroad seeking to enjoy benefits i.e. Karak, Mafraq, and other Industrial Estates.



AMMAN INDUSTRIAL ESTATE

Tel. 962-6-4022101/3

962-6-4021195

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962-6-4029751

INVESTORS SERVICES BUREAU

Tel. 962-6-4029750

Fax 962-6-4029751

A L-HASSAN INDUSTRIAL ESTATE

Tel. 962-2-295152/3

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E-mail ii - 121 - m.jo

Web <http://www.JIEC.com>

Qualifying Industrial Zones

Qualifying a product in the QIZs

(QIZ content must represent a minimum 35% of appraised value)

Three Methods:

1- 35 % minimum QIZ content, the breakdown must be not less than as follows:
11.7% from a Jordan QIZ
8% from Israel (7% for high tech goods)
The remaining value added, to reach the 35% total required, may come from either a Jordan QIZ, Israel, USA or West Bank, Gaza.

2- Jordanian and Israeli manufacturers may each maintain at least 20% of the total production cost of the QIZ manufactured goods.

Production costs may include originating materials, wages and salaries, design and R&D.

3- Mixing and matching of the two above methods is also allowed. One side may provide at least 20% of the total production cost, while the other side provides the minimum QIZ value added (1.7% for the Jordan QIZ, 8% for Israel (or 7% for high tech goods)).

* For textiles and apparel, the Uruguay Round Agreement Act, 19 U.S.C 3592 Section 334, rules of origin apply.

Jordan's Qualifying Industrial Zones offer you :

100% Duty Free Access to the US Market.

No Quotas on production in the QIZs.

Total Income and social tax exemptions.

Duty Free Entry of Fixed Assets.

Land and Buildings available for purchase or Lease.

Opportunities for Joint Venture .

No restrictions on project ownership.

Locate your production in Jordan's QIZs

Market Oriented Economy.

Stable Political Environment.

World Class Infrastructure & Communications.

Skilled Labor Force at very Competitive Cost.

Excellent Transport Network.

Full Repatriation of Profits.

**We do
business in Jordan**

"Jordan is moving ahead, creating new opportunities for its people by developing its infrastructure and encouraging investment and trade through new legislation and initiatives."

Phil Clifton

*Managing Director
Reyrolle Limited*

*A member of the Rolls-Royce Transmission
and Distribution Group of Companies.*

*"Jordan's attractive growth characteristics that I
would like to tap ... its location in the Middle
East and long term opportunities that may avail, this
is a fundamental attractiveness of Jordan."*

Teri G. Naminey

*Executive Director
Southern Bell, Int'l Development*

*"We are setting up in the QIZ a US\$ 10million tele-
communication joint venture, which we believe offers
opportunities for Motorola to gain access to the
wider Middle East Market."*

Gerald W. Lukowski

*Corporate Vice President and Director
Central and Eastern Europe, Middle East & Africa
Motorola Corporation*

**Investment Promotion Corporation
(IPC)**

*The IPC is a Jordanian Government Organization
created for the purpose of promoting investments.
The IPC stands ready to assist you through every
step of the investment process.*

Contact:

*Promotion Department
Investment Promotion Corporation*

Tel: 962-6-5531081 / 5535985

Fax: 962-6-5521084

E-mail: promo@ipc.gov.jo

Website: www.ipc.gov.jo

*For specific information on land and building
availability at the Qualifying Industrial Zones
please contact:*

*Director General
Industrial Estates Corporation
Sahab*

Tel: 962-6-4022101/3

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Fax: 962-6-4021194

E-mail: jiec@nets.com.jo

Website: www.jiec.com

Prepared & Designed by the IPC

**Duty Free
Access to The
US Market**

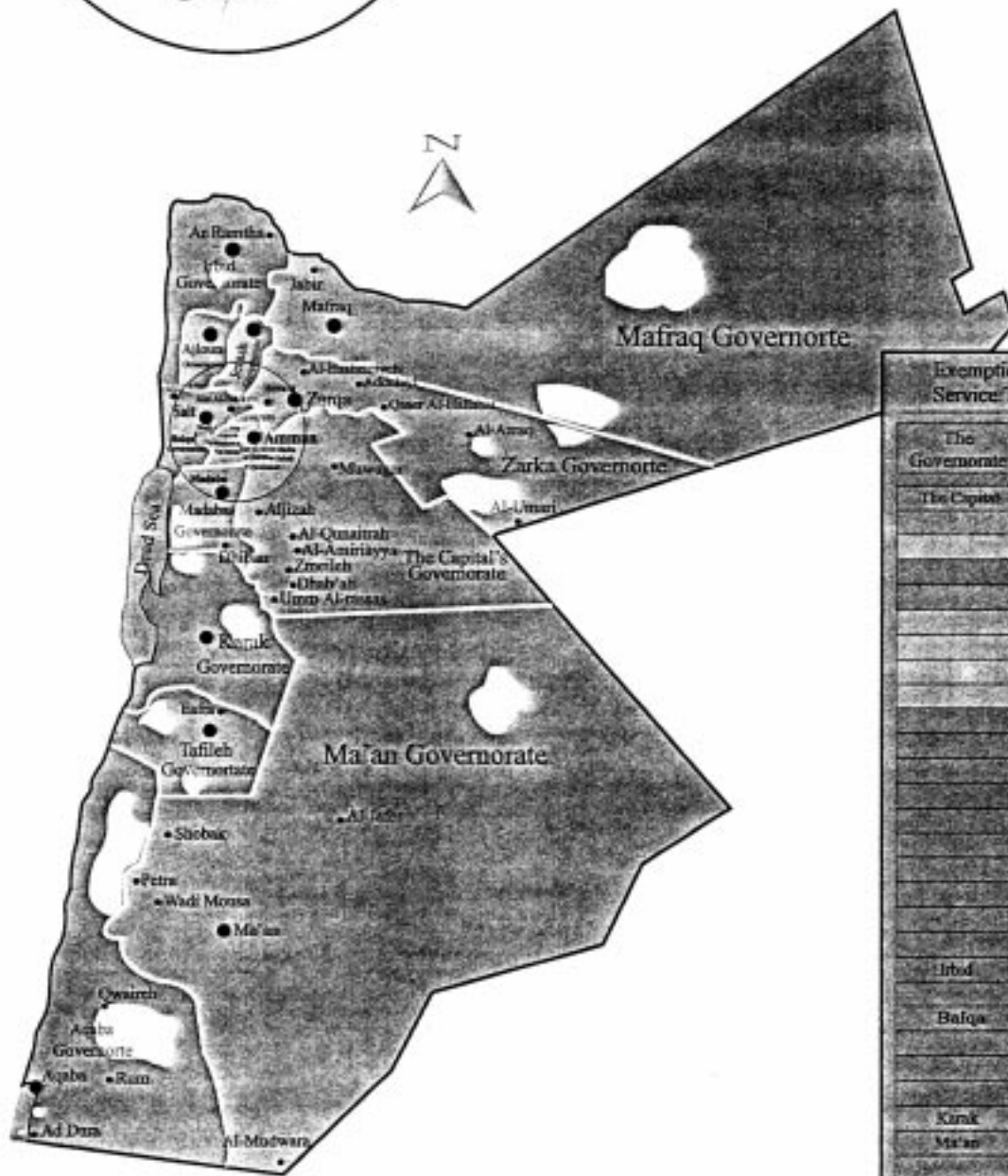
NO QUOTAS
 NO DUTIES

QIZ

Q O R D A N



JORDAN DEVELOPMENT AREAS “ HOSPITAL SECTORS “



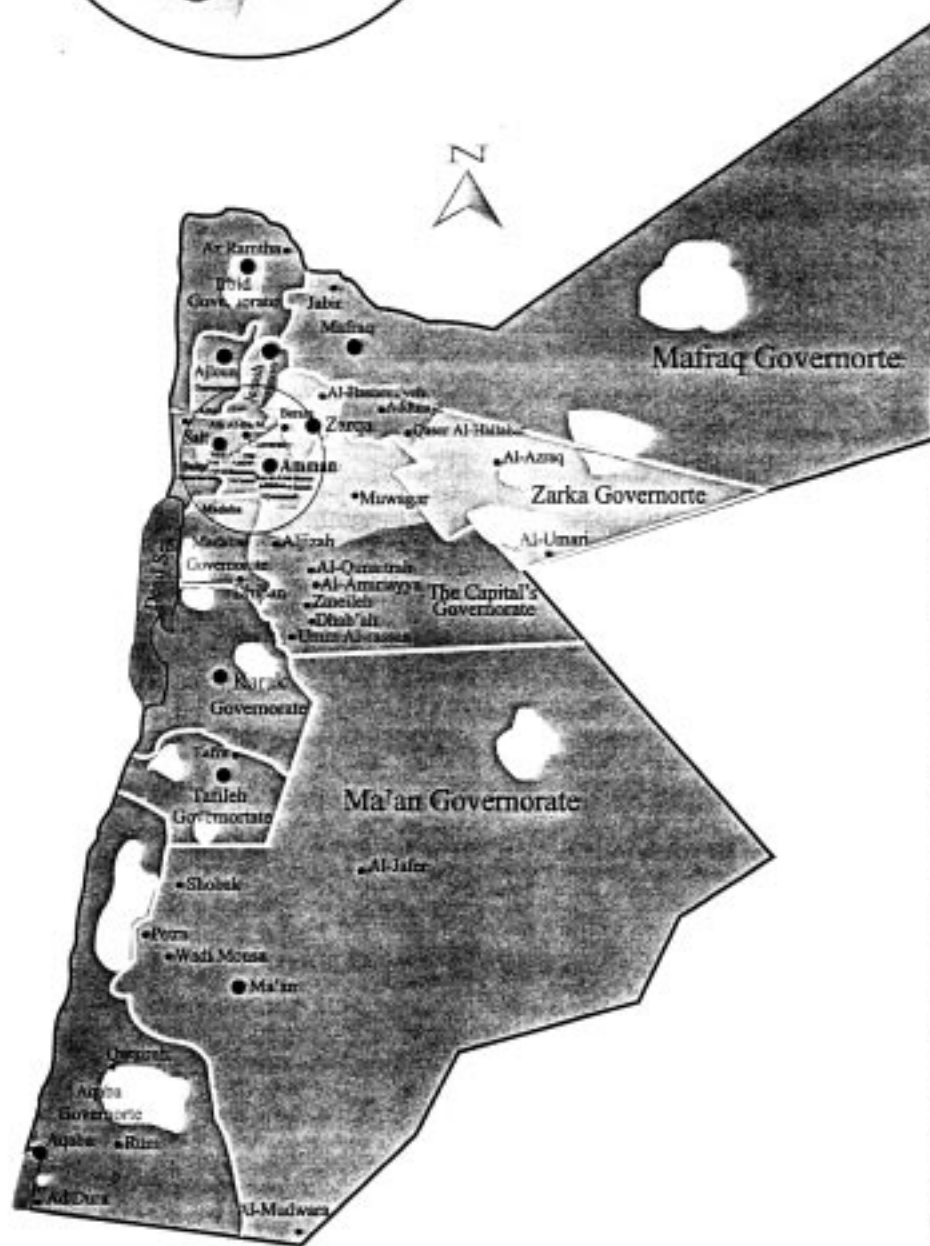
Exemption From Income & Social Service Taxes Development Areas			
The Governorate	District	Hospital Sector	
The Capital	Amman Kasba	A	
	Ras Al-Ein	A	
	Marka	B	
	Qweismeh	C	
	University	A	
	Wadi Al-Seer	B	
	Marj Al-Hamam	B	
	Iraq Al-Amir	B	
	Remaining Districts	B	
	Sahab	C	
	Miswagar	C	
	Ajlun	C	
Ma'an Governorate	Umm Al-Rassan	C	
	Al-Qunayrah	C	
	Dhab'ah	C	
	Al-Aminiyaya	C	
	Zweileh	C	
	Na'our	C	
	Hisban	C	
	Irbid	Irbid Kasba	C
		Remaining Districts	C
		Remaining Districts	C
	Balqa	Salt Kasba	C
		Deir Alla	C
South Shouneh		C	
Karak	Al-Qunayrah	C	
	All Districts	C	
Ma'an	Wadi Mousa	C	
	Remaining Districts	C	
Zarqa	All Districts	C	
	Al-Azraq	C	
Mafraq	Berrut	E	
	Al-Hashemiyeh	E	
Tafilah	AdDulayf	C	
	Qasr Al-Balabai	C	
Madaba	All Districts	C	
	Madaba Kasba	C	
Jerash	Dhiban	C	
	All Districts	C	
Ajloun	Ajloun	C	
	Remaining Districts	C	
Aqaba	Aqaba Kasba	C	
	Qweismeh	C	

Development Area (A) 25% Exemption From Income & Social Services Taxes	Development Area (B) 50% Exemption From Income & Social Services Taxes	Development Area (C) 75% Exemption From Income & Social Services Taxes	Wildlife Reserves Of Jordan
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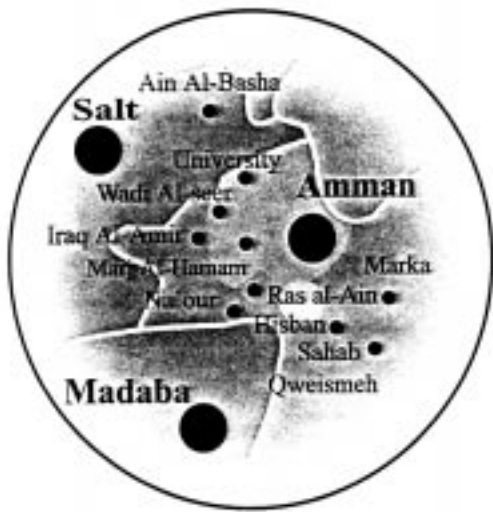
JORDAN DEVELOPMENT AREAS " INDUSTRIAL SECTOR "



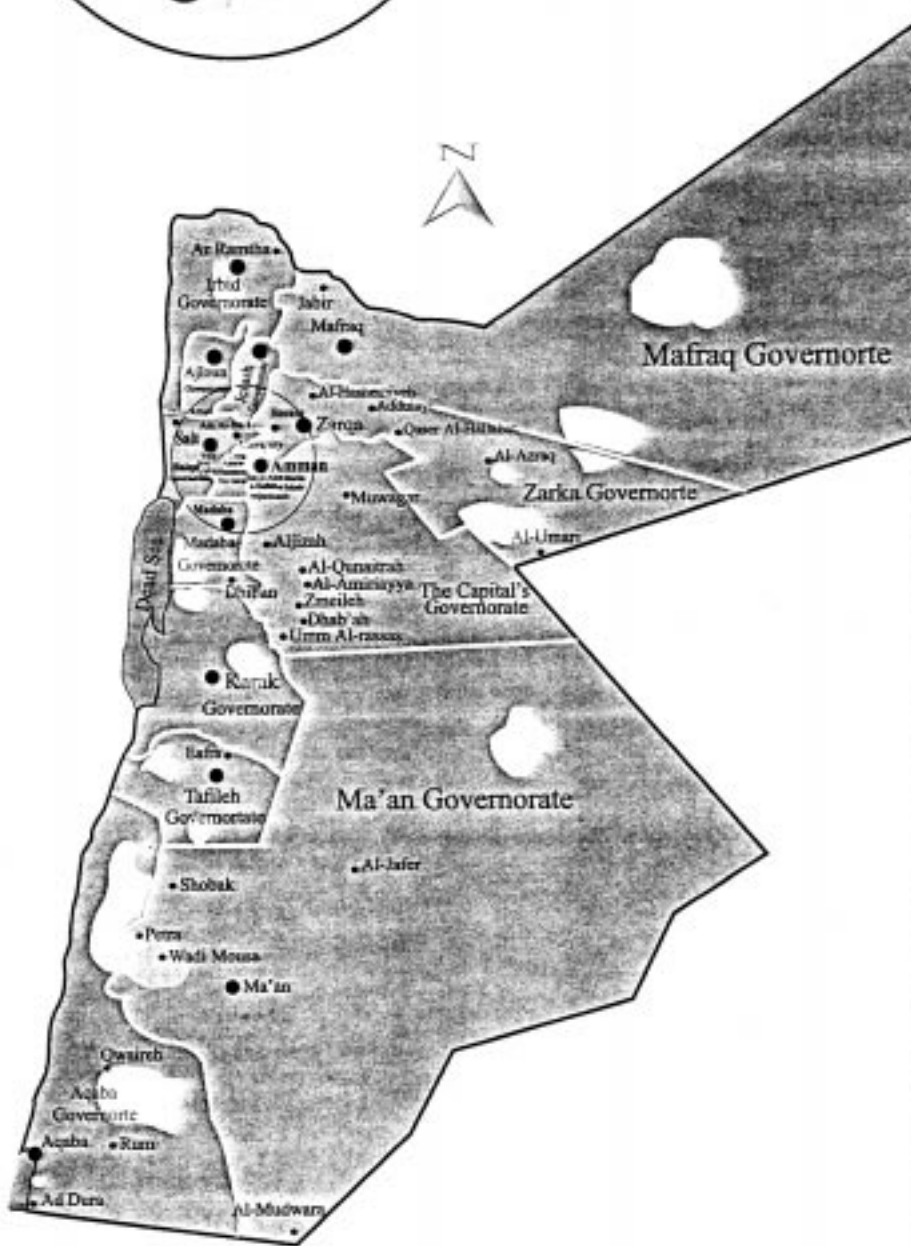
Exemption From Income & Social Service Taxes Development Areas			
The Governorate	District	Industrial Sector	
The Capital	Amman Kasba	A	
	Ras Al-Ein	A	
	Marka	A	
	Qweismeh	A	
	University	A	
	Wadi Al-Seer	A	
	Marj Al-Hanani	A	
	Iraq Al-Amin	A	
	Remaining Districts	A	
	Sabab	A	
	Murwagar	B	
	Aljizah	B	
	Umm Al-Rassas	C	
	Al-Qunayrah	C	
Irbid	Dhab'ah	C	
	Al-Amriyya	C	
	Zmeileh	C	
	Na'our	A	
	Hisban	B	
	Irbid	Irbid Kasba	B
		Remaining Districts	B
	Balqa	Salt Kasba	B
		Deir Alla	C
		South Shoubeih	C
	Karak	Ain Al-Basha	A
		All Districts	C
		Wadi Mousa	C
Ma'an	Remaining Districts	C	
Zarqa	All Districts	A	
	Al-Azraq	B	
	Berain	B	
	Al-Hathemiyeh	B	
	AdDulayl	C	
	Qasr Al-Hallabat	C	
Mafraq	All Districts	C	
Tafleh	All Districts	C	
Madaba	Madaba Kasba	B	
	Dhiban	C	
Jerash	All Districts	C	
Ajloun	Ajloun	C	
Aqaba	Aqaba Kasba	C	
	Qasrath	C	

Development Area (A) 25% Exemption From Income & Social Services Taxes	Development Area (B) 50% Exemption From Income & Social Services Taxes	Development Area (C) 75% Exemption From Income & Social Services Taxes	Wildlife Reserves Of Jordan 
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JORDAN DEVELOPMENT AREAS “ HOTELS SECTOR “



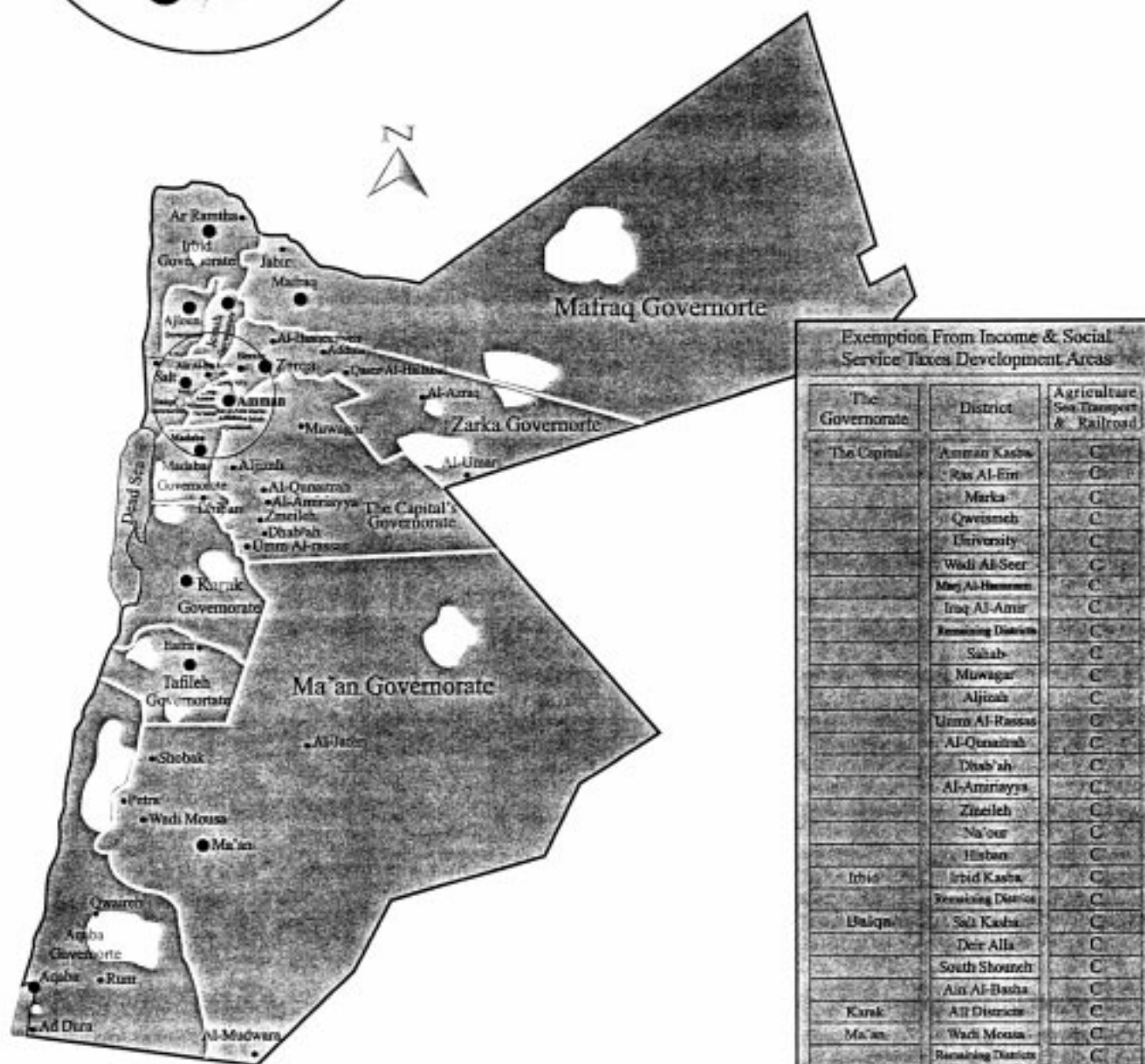
Exemption From Income & Social Service Taxes Development Areas			
The Governorate	District	Hotels Sector	
The Capital	Amman Kasba	A	
	Ras Al-Ein	B	
	Marka	C	
	Qweismeh	C	
	University	A	
	Wadi Al-Seer	A	
	Ma'aj Al-Hammam	C	
	Iraq Al-Amir	C	
	Remaining Districts	B	
	Sahab	C	
	Muwagar	C	
	Aljizah	C	
	Umm Al-Rassas	C	
	Al-Qunairah	C	
Irbid	Irbid Kasba	B	
	Remaining Districts	C	
	Balqa	Salt Kasba	C
		Deir Alla	C
		South Shoubeh	C
	Karak	Ain Al-Basha	C
		All Districts	C
	Ma'an	Wadi Moussa	A
		Remaining Districts	C
	Zarqa	All Districts	C
		Al-Azraq	C
		Berrin	C
		Al-Hashemiyeh	C
		Ad-Dalayl	C
Mafraq	Qasr Al-Hallabat	C	
	All Districts	C	
Tafileh	All Districts	C	
Madaba	Madaba Kasba	C	
	Dhiben	C	
Jerash	All Districts	C	
Ajloun	Ajloun	C	
Aqaba	Aqaba Kasba	C	
	Qwairih	C	

Development Area (A) 25% Exemption From Income & Social Services Taxes	Development Area (B) 50% Exemption From Income & Social Services Taxes	Development Area (C) 75% Exemption From Income & Social Services Taxes	Wildlife Reserves Of Jordan
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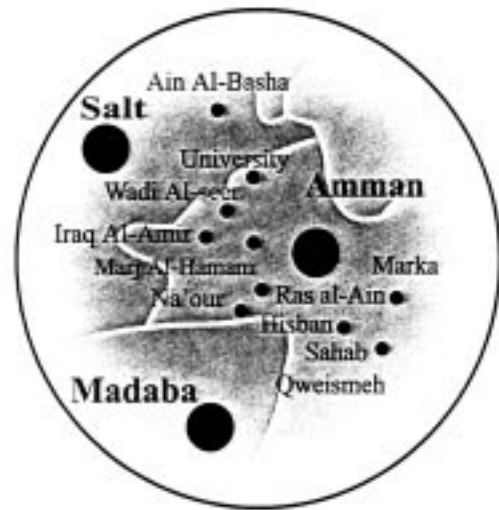
JORDAN DEVELOPMENT AREAS “ SECTOR OF AGRICULTURE SEA- TRANSPORT & RAILROADS ”



Exemption From Income & Social Service Taxes Development Areas		
The Governorate	District	Agriculture, Sea, Transport & Railroad
The Capital	Amman Kasba	C
	Ras Al-Ein	C
	Marka	C
	Qweismeh	C
	University	C
	Wadi Al-Seer	C
	Maq Al-Hamara	C
	Iraq Al-Amir	C
	Remaining Districts	C
	Sahab	C
	Murwaga	C
	Ajlous	C
	Umm Al-Rassas	C
	Al-Qunayrah	C
	Dhab'ah	C
	Al-Amriyya	C
	Zizeleh	C
	Na'our	C
	Hisban	C
Irbid	Irbid Kasba	C
	Remaining Districts	C
Badqa	Salt Kasba	C
	Deir Alla	C
	South Shouneh	C
	Ain Al-Basha	C
Karak	All Districts	C
Ma'an	Wadi Moussa	C
	Remaining Districts	C
Zarka	All Districts	C
	Al-Azraq	C
	Berain	C
	Al-Hashemiyeh	C
	AdDulayl	C
	Qसर Al-Hallebat	C
Ma'raq	All Districts	C
Tafilah	All Districts	C
Madaba	Madaba Kasba	C
	Dhiban	C
Jerash	All Districts	C
Ajlous	Ajlous	C
Aqaba	Aqaba Kasba	C
	Qwairah	C

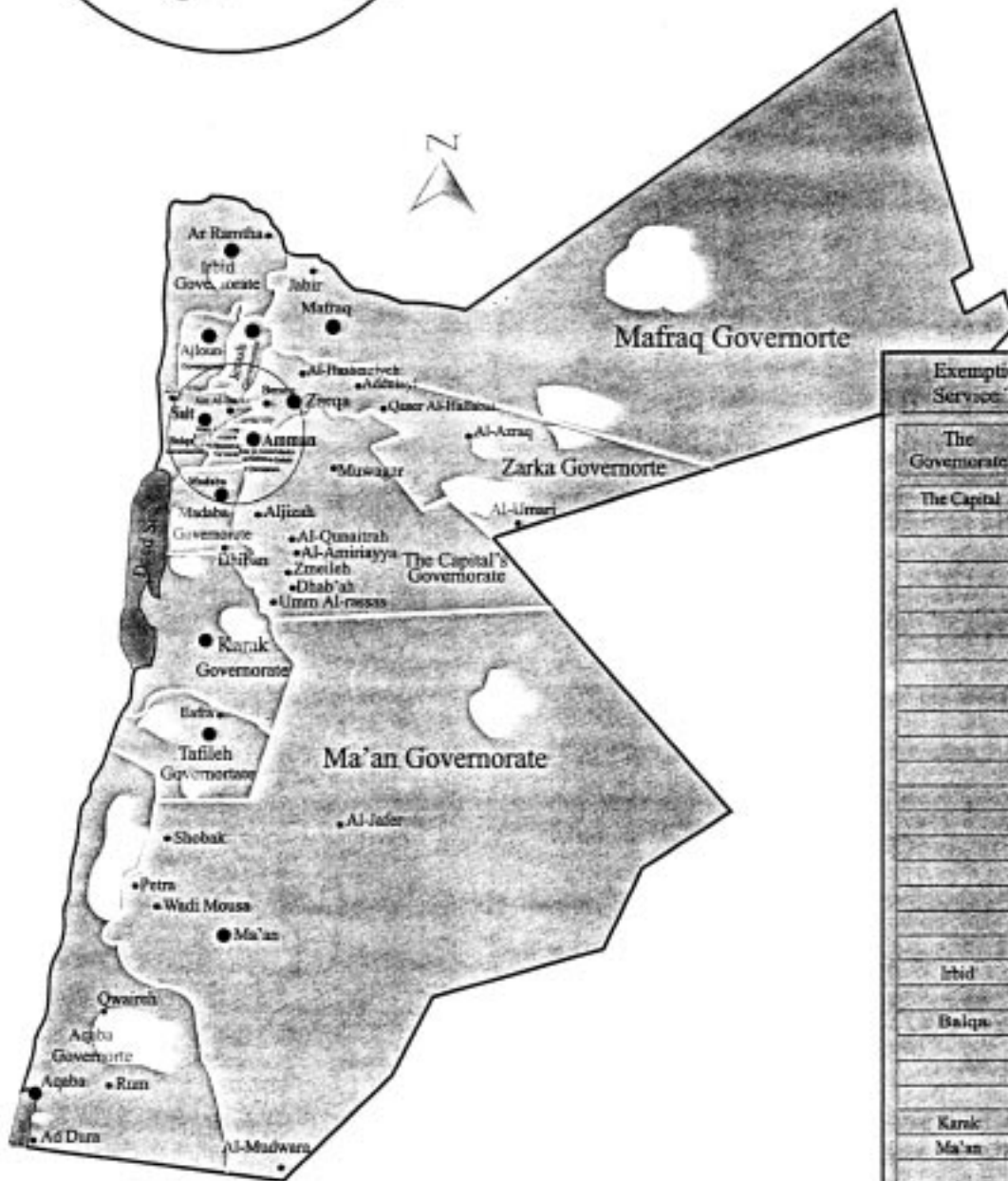
Development Area (A) 25% Exemption From Income & Social Services Taxes	Development Area (B) 50% Exemption From Income & Social Services Taxes	Development Area (C) 75% Exemption From Income & Social Services Taxes	Wildlife Reserves Of Jordan
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JORDAN DEVELOPMENT AREAS

" SECTOR OF LEISURE & RECREATIONAL
COMPOUNDS + CONVENTIONS & EXHIBITION CENTERS "



Exemption From Income & Social Service Taxes Development Areas		
The Governorate	District	Leisure & Recreational Compound / Exhibition Center
The Capital	Amman Kasba	A
	Ras Al-Ein	A
	Marka	A
	Qweismeh	A
	University	A
	Wadi Al-Seer	A
	Marj Al-Hamam	A
	Iraq Al-Amir	A
	Remaining Districts	A
	Sahab	A
	Musagar	A
	Ajlizah	A
	Umm Al-Rawas	A
	Al-Qunaitrah	A
Dhab'ah	A	
Al-Amriyya	A	
Zmeleh	A	
Na'our	A	
Hisban	A	
Irbid	Irbid Kasba	A
	Remaining Districts	A
Balqa	Salt Kasba	A
	Deir Alla	A
	South Shouneh	A
Karak	Ain Al-Basha	A
	All Districts	A
Ma'an	Wadi Moussa	A
	Remaining Districts	A
Zarka	All Districts	A
	Al-Azraq	A
	Berzin	A
	Al-Hashemiyeh	A
	AdDulayl	A
Mafraq	Qसर Al-Halabat	A
	All Districts	A
Tafilah	All Districts	A
Madaba	Madaba Kasba	A
	Dhiban	A
Jerash	All Districts	A
	Ajloun	Ajloun
Aqaba	Aqaba Kasba	A
	Qwairah	A

Development Area (A) 25% Exemption From Income & Social Services Taxes	Development Area (B) 50% Exemption From Income & Social Services Taxes	Development Area (C) 75% Exemption From Income & Social Services Taxes	Wildlife Reserves Of Jordan
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*investment
promotion
corporation*

JORDAN IN NUMBERS



Investment Promotion Corporation
Tel.: 962 - 6 - 553 1081 Fax : 962 - 6 - 5535985
E-mail : Info@ipc.gov.jo Web site : www.ipc.gov.jo

INVESTMENT PROMOTION CORPORATION

Investment Promotion Corporation (IPC) was established in accordance with the provisions of the Investment Law No. 16 of 1995. It is an independent juristic entity. The IPC is responsible for marketing Jordan internationally, creating linkages between national and foreign companies through joint ventures, assisting investors at all stages of the investment cycle and acting as a contact or liaison entity between investors and other government bodies whose services are needed by the investors.

Specifically, IPC provides the following services:

- 1 - Identifying investment opportunities
- 2 - Facilitating the registration and licensing of investment projects in an efficient and cost effective.
- 3 - Tabulating investment data and technical information and sharing them with interested investors.

For further information on investment potentials in Jordan,
please contact:

Investment Promotion Corporation
Tel. 5531081/2/3 Fax 5521084
P.O.Box 893 Amman 11821 Jordan
E-Mail: promo@ipc.gov.jo
Web: <http://www.ipc.gov.jo>



GENERAL INFORMATION 1998

-Population (million)	4.8
-Population Growth Rate (%)	3.5
-Area (thousand sq.km)	89.3
-Literacy Rate (%)	87.0
-GDP at Market Prices (JD, Million)	5237.0*
-Real GDP Growth Rate (%)	2.2
-Inflation Rate(%)	3.0
-GDP per Capita (JD)	1075*
-Govt. Domestic Revenues (JD,Million)	1485.0*
-Govt. External Revenues (JD, Million)	203.0*
-Govt. Current Expenditures (JD, Million)	1676.0*
-Govt. Capital Expenditures (JD Million)	326.0*
-Labor Force (thousand)	1024
-Exchange Rate	1 JD = US\$ 1.41
-Number of Banks & Branches	451
-Population / Bank Branch	10200
-Number Of Ariports	3
-Number of Hospitals	77
-Number of Classified Hotels	211
-Number of Universities	21
-Time	GMT + 2
-Business Hours	8(Sat-Wed)/5 (Thur)

* Preliminary

Sources:- CBL, Monthly Statistical Bulletin
- Department of Statistics



PROJECTS BENEFITED FROM THE INVESTMENT PROMOTION LAW

Sector/Years	Local			Foreign			Total		
	1996	1997	1998	1996	1997	1998	1996	1997	1998
Industry	172.9	159.6	138.8	52.6	64.3	45.5	225.5	223.9	184.3
Hotels	66.4	74.1	122.9	18.2	54.4	88.2	84.6	128.6	211.2
Agriculture	12.2	12.2	22.0	5.6	4.9	3.6	17.8	17.1	25.6
Hospitals	19.7	5.5	38.6	0.42	-	7.6	20.1	5.5	46.2
Maritime	-	4.2	4.5	-	-	10.1	-	4.2	14.6
Transport & Railways	-	-	-	-	-	-	-	-	-
Total	271.2	256.0	326.8	76.8	123.7	155.0	348.0	379.3	481.8

Source: Investment Promotion Corporation



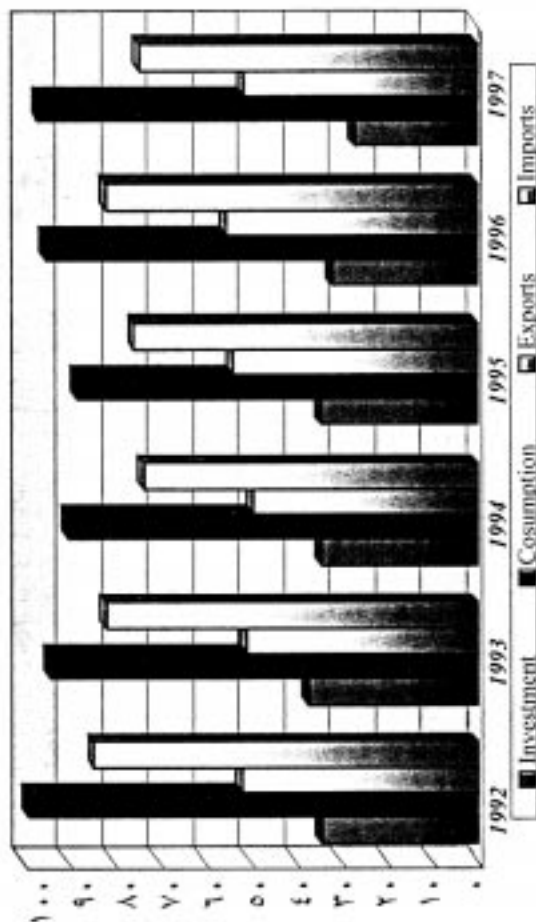


COMPONENTS OF GDP

% OF TOTAL

Year	Investment	Consumption	Exports	Imports
1992	34.2	98.5	51.5	84.2
1993	36.9	93.9	50.9	81.7
1994	34.2	89.7	49.3	73.2
1995	34.1	87.8	53.5	75.4
1996	31.8	94.6	55.1	81.5
1997*	26.7	96.4	51.2	74.3

*Preliminary
Source: CBI, Monthly Statistical Bulletin

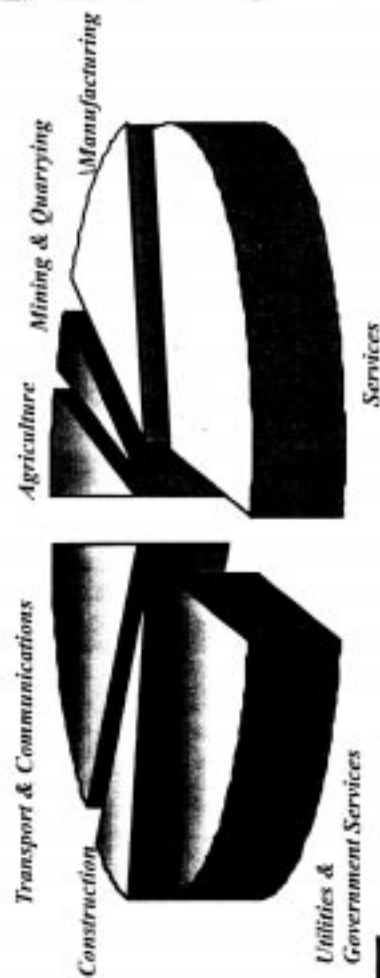


SECTORS OF GDP

Sectors	1994	1995	1996	1997*
Agriculture	6.4	6.0	6.3	5.3
Mining & Quarrying	2.2	3.0	2.9	3.1
Manufacturing	15.5	14.8	13.3	13.7
Electricity & Water	3.2	3.6	3.7	3.9
Construction	9.0	8.5	7.9	6.9
Trade, Restaurants & Hotels	4.6	4.7	5.0	5.8
Transport & communications	13.9	14.3	15.3	15.2
Finance, Insurance, Real Estate & Business Services	21.7	21.7	21.8	21.9
Social & Personal Services	2.8	3.0	3.1	3.3
Producers of Government Services	21.3	20.9	21.2	21.5
Producers of private Non Profit Services for Households	1.3	1.3	1.3	1.2
Domestic Household Services	0.2	0.1	0.1	0.1
Less: Imputed Bank Service Charge	-2.1	-1.9	-1.9	-1.9

Preliminary
Source: CBI, Monthly Statistical Bulletin

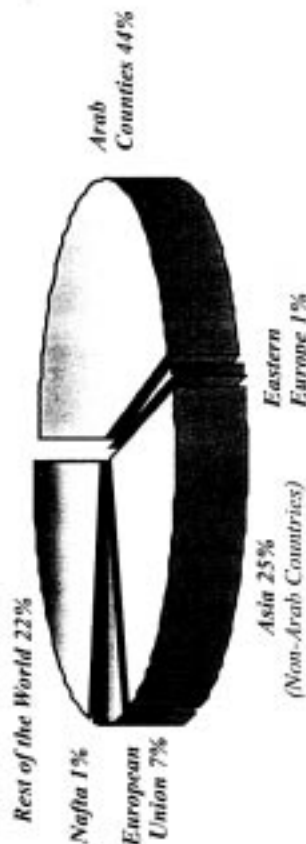
Sectors Shares of GDP 1997



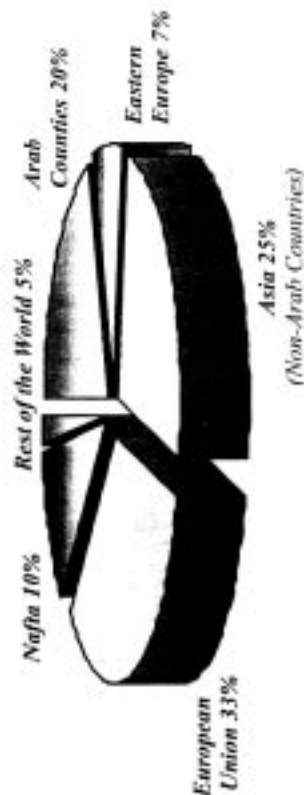
	MILLION, JD			
	1995	1996	1997	1998*
Exports	1,241.1	1,288.2	1,301.4	1,275.6
Imports	2,588.2	3,041.6	2,906.5	2,717.9
Trade Balance	-1,347.1	-1,753.4	-1,605.1	-1,442.3
Current Account, Net	-179.8	-157.4	20.8	2.2
Capital Account, Net	151.2	93.6	211.9	211.8

* Preliminary
Source: CBI, Monthly Statistical Bulletin

Geographic Distribution of Export, 1998



Geographic Distribution of Imports, 1998



1998

Goods	Exports	Comparative advantage (%)
Phosphates	139717	13.4
Food	130745	12.5
Potash	111502	10.7
Fertilizers	103671	9.9
Medicaments	101058	9.6
Mach. & Transport Equipments	44334	4.2
Live Animals	33637	3.3
Clothes	33024	3.2
Paper and Cardboard	30388	2.9
Others	315976	30.3
Total	1,044,052	100%

Source: CBI, Monthly Statistical Bulletin



- Phosphates
- Fertilizers
- Medicaments
- Live Animals
- Paper and Cardboard
- Potash
- Food
- Mach. & Transport Equipments
- Clothes
- Others

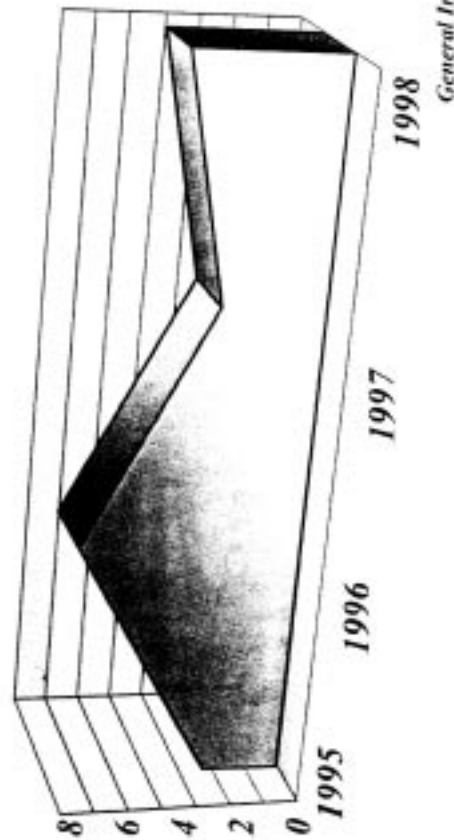


INFLATION RATES OF MAIN COMPONENT GROUPS OF COST OF LIVING INDEX

	MILLION, JD			
	1995	1996	1997	1998
Food items	2.3	7.0	6.6	4.8
Housing	2.6	5.2	0.8	2.8
Clothing & Footwear	7.3	10.1	-3.5	2.4
Others	0.3	5.9	1.8	6.6
General Index	2.3	6.5	3.0	4.5

Source: CBJ, Monthly Statistical Bulletin

Inflation Rate

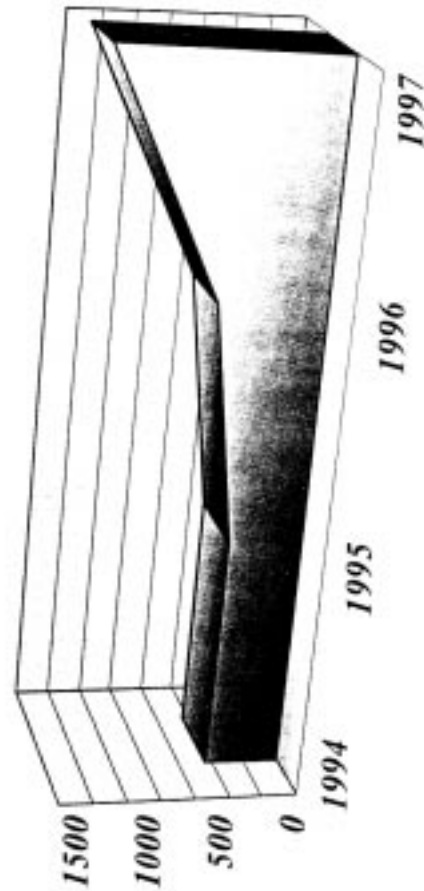


CENTRAL BANK OF FOREIGN RESERVES (1994 1997)

	JD MILLION			
	1994	1995	1996	1997
Reserves				
Reserves Of Gold	139.1	138.9	140.2	142.3
Reserves Of Foreign Currencies	302.5	303.0	494.2	1200.5
Gross Reserves Of Gold & Foreign Reserves	441.6	441.9	634.4	1342.8
In Months Of Imports	1.7	1.5	2.1	5.4

Source: CBJ, Monthly Statistical Bulletin

Gross Reserves of Gold and Foreign Reserves





AVERAGE EXCHANGE RATES OF MAJOR FOREIGN CURRENCIES 1998

Currency	Units per JD	
	Selling	Buying
US Dollar	1.408	1.412
Sterling Pound	0.849	0.853
D. Mark	2.475	2.488
French Franc	8.297	8.339
Japanese Yen	184.0	184.9

Source: CBI, Monthly Statistical Bulletin



INDUSTRIAL Production

	1995	1996	1997	1998
A) Mining & Quarrying				
Phosphate (1000 ton)	4,983.9	5,421.5	5,895.6	5,927.2
Potash (1000 ton)	1,780.0	1,765.5	1,415.6	1,529.3
B) Manufacturing				
Fodder (1000 ton)	54.3	54.4	72.7	67.7
Alcoholic drink (1000 liter)	6,846.5	7,972.3	7,824.9	7,848.6
Cigarettes (Million. Cig.)	3,666.6	2,768.9	1,853.1	1,144.2
-Clothes & Textiles:				
Textiles (1000 yards)	1,744.9	1,764.1	1,458.7	1,544.7
Spinning (ton)	1,524.3	1,614.2	1,240.1	858.4
-Leather				
Upper leather (1000 sq.ft.)	2,519.6	2,139.4	2,269.9	1,788.2
Sole leather & Wool (ton)	51.3	54.5	46.4	35.3
-Chemicals:				
Fertilizers (1000 ton)	729.3	639.8	585.6	642.1
Chemical acids (1000 ton)	1,337.5	1,260.3	1,289.0	1,474.5
Detergents (1000 ton)	21.7	15.4	22.1	18.2
-Construction Materials				
Clinker (1000 ton)	3,151.9	2,983.3	3,055.2	2,441.7
Iron (1000 ton)	151.2	172.1	114.5	104.8
Metallic pipes (1000 ton)	9.1	9.9	11.1	12.3
Petroleum products (1000 ton)	3,100.7	3,154.4	3,301.1	3,236.4
Paper & Cardboard (1000 ton)	13.7	17.8	12.2	15.6
Liquid Batteries (1000 batt.)	70.4	62.9	55.7	62.3
Electricity (million k.w.h.)	5,252.3	5,686.4	5,941.3	6,331.4

Source : CBI, Monthly Statistical Bulletin

Interest Rates Structure

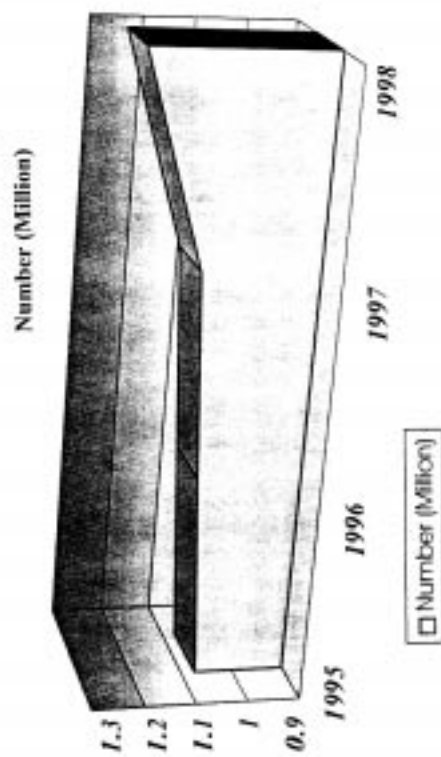
Period	1994	1995	1996	1997	1998
Weighted Average Interest Rates on Licensed Banks Deposits:					
Demand	1.03	1.04	1.08	1.19	1.35
Saving	4.94	4.94	5.27	5.03	4.56
Time	7.09	7.68	8.50	9.18	8.33
Weighted Average Interest Rates on Licensed Banks Credit Facilities:					
Overdrafts	10.94	11.39	12.41	12.99	12.49
Loans & Advances	10.48	10.65	11.25	12.25	12.89
Discounted Bills & Bonds	11.27	11.55	12.36	13.25	13.97

Source: CBI, Monthly Statistical Bulletin

T TOURISM SECTOR

	1995	1996	1997	1998
Number of Tourists (thousands)				
Number (Million)	1074	1102	1127	1256
Growth Rate (%)	25	2.6	2.3	11.5
Expanding of Hotels Capacity:				
Number of Hotels	148	161	175	211
Number of Rooms	8565	9406	10147	11513
Growth Rate (%)	18	10	8	13.5
Tourism Income:				
Income (Million JD)	462	527	549	605
Growth Rate (%)	14	14	4	10.2
% of GDP	9.9	10.2	9.8	12.2

Source : Ministry of Tourism, Statistics Section



INVESTMENT
PROMOTION
LAW &
REGULATIONS

JORDAN



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*Investment
Promotion
Law &
Regulations*

JORDAN

Investment Promotion Corporation 1999

Law No. (16) of 1995
The Investment Promotion Law

- Article (1)** This Law shall be named "The Investment Promotion Law of 1995", and shall come into effect as of the date of its publication in the Official Gazette.⁽¹⁾
- Article (2)** Wherever used in this Law, and unless the context otherwise provides, the following terms and expressions shall have the meanings ascribed thereto hereunder:
- **The Council:** The Higher Council for Investment Promotion formed pursuant to this Law.
 - **The Corporation:** The Investment Promotion Corporation established pursuant to this Law.
 - **The Board:** The Board of Directors of the Corporation.
 - **The Minister:** The Minister of Industry and Trade.
 - **The Committee:** The Investment Promotion Committee formed pursuant to this Law.
 - **The Director General:** The Director General of the Corporation.
 - **The Project:** Any economic activity to which the provisions of this Law and Regulations and Instructions issued hereunder shall apply.
 - **Fixed Assets:** The necessary machinery, apparatus(es), equipment, supplies and tools to be exclusively used in the Project, and the furniture and supplies for hotels and hostels.
 - **Fees:** Import Fees, Customs Duties and other fees imposed on Fixed Assets items in accordance with the applicable laws, with the exception of Municipal Fees.
 - **Taxes:** Taxes imposed on Fixed Assets items pursuant to the applicable laws, with the exception of Municipal Taxes.

(1) This Law published in the Official Gazette issue No. (4075) dated 16/10/1995.

- **The Investor:** The natural or legal person investing in the Kingdom in accordance with the provisions of this Law.
- **Production Capacity :** The designed or occupancy capacity of the Project.

Article (3) Any project falling within the following Sectors or Subsectors shall enjoy the exemptions and facilities provided by this Law:

- a. Industry.
- b. The Agriculture Sector (without prejudice to other privileges provided in other Laws).
- c. Hotels.
- d. Hospitals.
- e. Maritime Transport and Railways.
- f. Any other Sector or Subsectors the Council of Ministers approve of upon the Council's recommendation ⁽¹⁾

Article (4) a. For the purposes of this Law, the (geographical) areas which enjoy tax exemptions are classified into three development areas (A,B,C); subject to the degree of economic development of such areas in each of the sectors listed in Article (3) of this law, pursuant to a regulation to be issued for this purpose.

- b. The Subsectors and the investment activities listed in paragraph (a) of this Article, along with the eligibility conditions for the enjoyment of the privileges provided by this Law in each of the development areas designated hereunder, shall be specified in a regulation to be issued for this purpose.

Article (5) For the purposes of this Law, the expression: "Invested Foreign Capital" shall mean money invested in the Kingdom by a non-Jordanian, cash or in kind, or any rights having a financial value, including the following:

(1) The following two subsections have been added by virtue of the Council's of Ministers resolution dated 26/10/1997:
a. Leisure and Recreational Composts.
b. Conventions and Exhibition Centers.

- a. Cash transferred to the Kingdom via licensed banks and financial companies which is invested for the purposes of this Law.
- b. The imported assets in kind whose cost has been paid from outside the Kingdom.
- c. Profits, returns and reserves resulting from investing Foreign Capital in the Project, provided that such profits, returns or reserves are used to increase the capital of the Project or are invested in another Project covered by the provisions of this Law.
- d. Intangible rights such as licenses, patents, trademarks and trade names registered in the Kingdom.

Article (6) a. The Fixed Assets of the Project shall be exempted from Fees and Taxes provided that they are imported into the Kingdom within a period of three years from the date of the Committee's decision approving the lists of Fixed Assets of the Project. The Committee may extend this period if it deems that the nature of the project and the size of work require that.

- b. Imported spare parts for the Project shall be exempted from Fees and Taxes provided that the value of such spares does not exceed 15% of the value of the Fixed Assets for which they are required, and provided that they are imported into the Kingdom or used in the Project within a period of ten years from the date of commencement of production or work, in accordance with a decision taken by the Committee approving the lists of spare parts and their quantities.
- c. The Committee shall exempt from Fees and Taxes Fixed Assets that are required for the expansion, development or modernization of the Project if such expansion, development or modernization shall result in an increase in the Production Capacity of the Project by not less than 25%.
- d. The Committee shall exempt from Fees and Taxes any increase in the value of the Fixed Assets which are imported

for the Project if such increase is a result of a rise in the prices of such assets in the country of origin, of a rise in the freight charges applicable thereto, or of changes in the exchange rate.

Article (7) a. By a decision of the Committee, the Project that falls within one of the sectors or subsectors listed in Article (3) of this law shall be exempted from income and social services taxes, by the following percentages in accordance with the development area applicable thereto:

25% if the Project is in a class A development area.

50% if the Project is in a class B development area.

75% if the Project is in a class C development area.

The Exemption period upon the committee's decision shall be ten years starting from the date of commencement of work for services projects, or from the date of commencement of production for manufacturing projects.

b. The Committee shall grant an additional exemption if the Project has been expanded, developed or modernized with the result of increasing its Production Capacity, of one year per each increase in production not less than 25%, for a maximum period of four years.

Article (8) Hotel and hospital Projects shall be granted additional exemptions from Fees and Taxes once every seven years for purchases of furniture and supplies required for modernization and renewal, provided that such items are imported into the Kingdom or used in the Project within four years from the date of the Committee's decision approving the list of purchases and their quantities.

Article (9) If the Project is transferred from one development area to another during the granted exemption period, then for the purposes of the exemption, and provided that the Corporation

has been (duly) notified (of the transfer) the Project shall be afforded, for the remaining period of the exemption, the same treatment as Projects located in the (new development) area to which the Project has been transferred.

Article (10) Excluding the exemptions provided in Article (7) of this Law, any existing Project, whether approved as an "Economic Project" or as an "Approved Economic Project" pursuant to the provisions of the Encouragement of Investment Law No. (11) of 1987 and its amendments or the preceding laws, and any other Project that did not benefit from the provisions of these laws, shall enjoy the exemptions and privileges provided by this Law if it meets the requirements of a regulation that will be issued for this purpose, and adjusts its status according to the provisions thereof.

Article (11) a. A council entitled "The Higher Council for Investment Promotion", shall be established and chaired by the Prime Minister and the membership of:

- | | |
|---|-------------------|
| - Minister of Industry & Trade | Deputy Chairman |
| - Minister of Finance | Member |
| - Minister of Planning | Member |
| - Minister of Tourism | Member |
| - Minister of Transport | Member |
| - Governor of the Central Bank | Member |
| - Director General | Member/Rapporteur |
| - Chairman of the Union of Jordanian Chambers of Commerce | Member |
| - Chairman of Amman Chamber of Industry | Member |
| - Three competent and experienced persons from the private sector appointed by the Chairman upon a recommendation of the Minister for two renewable years | Members |

b. The Council shall hold its meetings whenever the need arises, pursuant to an invitation from its Chairman, or Deputy-Chairman in case of the Chairman's absence. The Council's meeting shall be considered legal if attended by two thirds of the Council's members, provided that the Chairman, or the Deputy-Chairman in case of the former's absence, is present. Resolutions shall be reached unanimously or by a majority of votes of members attending the meeting. In the case of equal votes, the side supported by the Chairman of the meeting shall prevail.

Article (12) The Council shall create a suitable environment for investment in order to achieve the comprehensive development goals, and for that The Council shall assume the following responsibilities:

- a. Approving the National Strategy for Investment including the development of production sectors, developing and following-up its implementation.
- b. Approving the investment policies.
- c. Approving the Investment Promotion Policy, and following-up its implementation.
- d. Reviewing the investment regulations.

Article (13) a. According to the provisions of this law a corporation named "The Investment Promotion Corporation" shall be established which enjoys a legal personality with financial and administrative independence. Thus, the Corporation may carry out all legal acts, concluding contracts, acquiring movable and immovable property, borrowing, selling, mortgaging and accepting donations and grants. The Corporation shall be represented in legal matters and judicial proceedings pertaining to or arising from its activities by the General Civil Lawyer or by any registered lawyer appointed by the Corporation.

b. The Corporation shall have a Director General appointed by

a decision of the Council of Ministers upon a recommendation by the Minister; provided that the decision is endorsed by a Royal Decree.

c. The headquarters of the Corporation shall be in the city of Amman. The Corporation may establish branches in any place within or outside the Kingdom.

Article (14)

The Corporation shall aim at promoting investment in the Kingdom, by carrying out the following:

- a. Enhancing confidence in the investment environment, identifying investment opportunities, promoting these opportunities and motivating investment therein.
- b. Simplifying the registration and licensing procedures of investment Projects, following up existing Projects, and giving them priority in finalisation of applications at official authorities.
- c. Establishing an investment window at the Corporation which shall undertake licensing investment projects and obtaining approvals on such Projects from other authorities pursuant to the legislation in force. The Minister has the right to issue a decision to license a certain Project if the relevant ministries or public authorities fail to issue a reasoned decision regarding the licensing (of that Project) within a period of thirty days from the date on which the investor submitted a request for licensing.
- d. Giving advice, providing available information and data for investors and issuing related guides.
- e. Setting and implementing investment promotion programs to attract investors to the Kingdom.

Article (15)

The Corporation shall have an annual independent budget and its funds shall be constituted of the following sources:

- a. Funds allocated by the Government.
- b. Returns of services rendered by the Corporation and other revenues received thereby.

- c. Local or foreign loans: provided the Council of Ministers approves the foreign loans.
- d. Profits on the Corporations funds.
- e. Grants, aids, gifts, and wills or other funds offered to the Corporation's and approved by the Council.

Article (16)

- a. The financial year of the Corporation starts on the first of January of each year and shall end on December 31 of the same year.
- b. Within the four months following the end of its financial year, the Corporation shall prepare a comprehensive report on its activities, accompanied by its final accounts certified by the auditors, and shall submit such report to the Board for approval.
- c. In organizing its accounts and records, the Corporation pursues the principles of commercial accounting.

Article (17)

- a. The Corporation shall be managed by a Board of Directors chaired by the Minister. The Board shall be formed pursuant to a decision of the Council with a number from the Council's members not exceeding (7) seven, provided that the Director General shall be among them. The Board shall select one of its members to be a Deputy Chairman.
- b. Whenever the need may arise the Board shall convene pursuant to an invitation from the Chairman. The Board meeting shall be considered legal if it is attended by the majority of members, provided that the Chairman, or Deputy Chairman, in the case of the Chairman's absence, is present. The Board shall reach its decisions unanimously or by a majority vote. In the event of equal votes the side supported by the Chairman of the meeting shall prevail.
- c. The Chairman of the Board may invite any expert and specialized person to attend the Board meetings to offer consultations on the subject presented thereto without such person being entitled to vote.

- d. The remuneration of the members of the Board shall be determined by the Council's decision and shall be paid according to the number of meetings attended by the relevant member.
- e. The Chairman of the Board shall appoint one of the corporation staff as secretary to the Board in accordance with the Director General's recommendation. The secretary shall be responsible for organizing the administrative work of the Board, recording its resolutions and obtaining the signatures of the Chairman of the meeting and the other members on such resolutions.

Article (18) The Board shall carry out the duties and assume the authorities provided for in this Law including the following:

- a. Supervising and following up the administrative affairs of the Corporation.
- b. Suggesting the investment policies of the Kingdom, determining its priorities, setting programs and plans, determining and submitting them to the Council for approval.
- c. Approving the Corporation's budget, the auditors' report and the final financial statements.
- d. Approving the financial and administrative instructions of the Corporation.
- e. Determining returns of services rendered by the Corporation.
- f. Appointing licensed auditors for the Corporation and determining their fees.
- g. Establishing branches of the Corporation anywhere within or outside the Kingdom.

Article (19) The Chairman of the Board shall represent the Corporation in all its relations with others and may delegate this representation to the Director General.

Article (20) The Director General shall carry out and assume the following duties and authorities:

- a. Applying the general policy of the Corporation, implementing decisions issued in accordance with the provisions of this law, and following up their implementation.
- b. Administering the activities of the Corporation, supervising its staff and its technical, administrative and financial affairs.
- c. Laying down programs that achieve the goals and tasks of the Corporation, submitting the related recommendations to the Board, and working towards their development.
- d. Any other duties determined by the Board, or assigned to him pursuant to the regulations issued under this Law.

Article (21) A Committee named "The Investment Promotion Committee" shall be formed. It shall be chaired by the Director General and with the membership of:

1. The Director General of the Income Tax Department.
 2. The Director General of the Customs Department.
 3. A representative of the Ministry of Industry and Trade appointed by the Minister.
 4. A representative of the private sector appointed by the Chairman of the Council.
- a. In the absence of the Committee's Chairman, the Director General of the Customs Department shall assume the chairmanship of the Committee.
- b. The Committee shall convene pursuant to an invitation from its Chairman. The meeting shall be considered legal if four of its members are present including the Chairman. The Committee shall reach its decisions by a majority vote of three of its members.
- c. The Director General may invite one or more persons from any entity from the relevant sector, to attend the Committee's meetings in order to provide advice on the matter presented thereto; without such person being entitled to vote.
- d. The Director General shall appoint one of The Corporation

staff to carry out the duties as Secretary to the Committee, and to record and to follow up on the Committee's decisions.

Article (22)

The Committee shall carry out the duties and assume the authorities stated in this Law including the following:

- a. Reviewing applications submitted by the Investors and reaching decisions thereon within a period of thirty days from the date of submittal of the application, and in case of disapproval reasons shall be mentioned.
- b. Approving additional exemptions pursuant to this Law.
- c. Reviewing objections on the Committee's decisions that are raised by Investors. The decision of the Committee to dismiss an objection shall be subject to appeal to the Board within a period of thirty days from the date of notification of the decision.

Article (23)

In the event that all or part of the exempted Fixed Assets have been sold in a manner contrary to the provisions herein, or have not been used in the Project, or have been used for purposes other than as authorized, the due taxes, fees and fines shall be imposed on the Project in accordance with the provisions of the laws and regulations in force.

Article (24)

Subject to the provisions of other Laws:

- a. The Non-Jordanian Investor may invest in the Kingdom through ownership, partnership or shareholding, in accordance with the provisions of a regulation to be issued for this purpose. Said regulation shall clarify the project sectors or subsectors thereof in which the foreign Investor may invest and the maximum percentage of ownership and the minimum Foreign Capital allowed therein.
- b. Subject to the provisions of paragraph (a) above, the Non-Jordanian Investor investing in any project governed by this Law shall be afforded the same treatment as the Jordanian

c. The Investor has the right to manage the Project in the manner deemed appropriate and through the person(s) chosen by the Investor for its management. The competent authorities shall provide the required facilities.

Article (25) It shall not be permissible to expropriate any Project or to subject it to any measures that may lead to expropriation, unless such expropriation shall be by way of compulsory purchase for the purposes of public interest, and in return for just compensation to be paid to the Investor. The compensation paid to a Non - Jordanian Investor in such case shall be in a convertible currency.

Article (26) The Investor must carry out the following:

- a. Notify The Corporation in writing, upon completing the installation of the Fixed Assets and preparation for the Project, of the date of commencement of work or actual production.
- b. Maintain regular books and records and have them audited by licensed auditors in the Kingdom.
- c. Maintain a record of the Fixed Assets that are admitted to the Project where all details of such assets shall be entered.
- d. Furnish any information, data or documents required by the Corporation which are pertinent to the Fixed Assets of the Project. Any authorized employee of the Corporation shall be allowed to have an access to the Project to check the accuracy of such data and information.

Article (27) If the ownership of the project is transferred during the granted exemption period, The Project shall continue to enjoy the granted exemptions, facilities and guarantees till the end of such period; provided that the new investor continues to work in the Project and replaces the previous investor in the rights and obligations provided under the provisions of this Law.

Article (28) a. Upon obtaining the approval of the Committee, the Investor may sell the exempted Fixed Assets or relinquish them to another Investor benefiting from the provisions of this Law, provided that these assets are used in the Project of such Investor. Upon notifying the Committee, the Investor may also sell the exempted Fixed Assets to any person or to another project not covered by the provisions of this Law after paying the fees and taxes due on such Fixed Assets.

b. Upon obtaining the approval of the Committee, the Investor may re-export the exempted Fixed Assets.

Article (29) If two or more companies or corporations merge, the new company or corporation resulting from the merger shall, for the remaining period of the exemption, be obliged to maintain separate accounts for each Project that had enjoyed the exemptions and benefits provided for in this Law before the merger.

Article (30) The Non-Jordanian Investor shall be entitled to remit abroad without delay and in a convertible currency the Foreign Capital transferred to the Kingdom for investment pursuant to the provisions of this Law or any previous legislation, together with any returns and profits accrued thereon, and also, the proceeds of liquidation of the investment, or the proceeds of sale of all or part of his Project.

Article (31) Non-Jordanian technicians and administrators working in any Project may transfer their salaries and remuneration abroad in accordance with the legislation in force.

Article (32) a. The provisions of the "The Investment Agreement of Arab Capital and their Transfer between Arab States" and the provisions of all treaties concluded with Arab States and their amendments shall be taken into consideration with respect to

Arab Capital invested in accordance with the provisions of this Law.

- b. Any Investor, whose investment is guaranteed by his country or by an official agency thereof, may assign to that country or agency any returns on his investment or other compensation to which he is entitled.

Article (33) Investment disputes between an Investor of Foreign Capital and Jordanian governmental agencies shall be settled amicably. If no amicable settlement can be reached within a period not exceeding six months, either party may resort to litigation or may refer the dispute to "The International Center for Settlement of Investment Disputes" (ICSID) for settlement by conciliation or arbitration in accordance with the provisions of the Agreement on the Settlement of Investment Disputes between States and Nationals of other States which has been signed by the Kingdom.

Article (34) It shall be permissible to register mortgages on equipment and machinery that are part of the Fixed Assets of any Project; as security for extended credit facilities. For the purposes of implementing the provisions of this Article, the Corporation shall, pursuant to instructions issued for this purpose by the Board, and published in the Official Gazette, maintain an industrial register listing the equipment and machinery for every Project.

Article (35) Any project, which was approved pursuant to the provisions of the Encouragement of Investment Law No. (11) of 1987 and its amendments, shall continue to enjoy the exemptions granted thereto in accordance with that Law until the end of the exemption period, and shall be subject to its conditions.

Article (36) The Corporation shall enjoy the same exemptions and benefits applicable to ministries and governmental departments.

Article (37) The Council of Ministers may issue the necessary regulations for implementing the provisions of this Law, including those pertinent to financial, procurement and employment affairs of the Corporation.

Article (38) The following are cancelled:

- a. The Encouragement of Investment Law No. (11) of 1987, its amendments, and the regulations issued thereunder.
- b. The Law Regulating Arab and Foreign Investments No. (27) of 1992 and the regulations issued accordingly.

Article (39) The Prime Minister and the Ministers are entrusted to implement the provisions of this Law.

REGULATION NO (39) OF 1997
Non-Jordanian Investments Promotion Regulation
Issued Pursuant to Article (24)

of the
Investment Promotion Law
No. (16) of 1995

Article (1) This Regulation shall be named "the Non-Jordanian Investments Promotion Regulation of 1997" and shall come into effect as of the date of its publication in the Official Gazette.⁽¹⁾

Article (2) The words and terms mentioned in this Regulation shall have the meaning assigned thereto in the Investment Promotion Law No. (16) of 1995.

Article (3) The Non-Jordanian Investor may own any project in full or in part or any economic activity in the Kingdom except the following projects and activities in which his ownership or participation therein may not exceed fifty percent (50%):

- a - Construction Contracting Sector.
- b - Commercial and Commercial Services Sector.
- c - Mining Sector.

Article (4) Except for the participation in the public shareholding companies and with due observance to the provisions of Article (3) of this regulation, the investment of the Non-Jordanian may not be less than (50,000) Fifty Thousand Jordanian Dinars.

Article (5) The Minister may issue the necessary instructions for implementing the provisions of this Regulation in a manner not contradicting with its provisions thereof.

Article (6) The "Non-Jordanian Investments Promotion Regulation" No. 1 of 1996 and its amendment shall be abolished.

⁽¹⁾ This Regulation was published in the Official Gazette issue No. (4226) dated 1/9/1997.

Regulation No. (2) Of 1996

The Regulation of the Investment Areas and Sectors
Issued pursuant to Article (4) of the
Investment Promotion Law No. (16) of 1995

Article (1) This Regulation shall be named "The Regulation of the Investment Areas and Sectors" of 1996 and shall come into effect as of the date of its publication in the Official Gazette.⁽¹⁾

Article (2) Wherever used in this Regulation, and unless the context otherwise provides, the following terms shall have the meanings ascribed thereto hereunder:

- **The Law:** The Investment Promotion Law in force.
- **The Committee:** The Investment Promotion Committee formed in accordance with the provisions of the Law.

Article (3) a. Subject to the provisions of paragraphs (c) and (d) of this Article, the Kingdom shall be divided for the purposes of ascertaining the development areas which shall enjoy the tax exemptions in accordance with the schedule shown below. The applicable administrative divisions system in force shall be relied upon to determine these development areas:

b. All areas of the Kingdom shall be classified under zone -C- for the sectors of Agriculture and Maritime Transport and Railways.

c. The Shore of the Dead Sea area, with a 5km depth from the sealine, shall be classified under zone -A- for the hotel sector.

d. The provisions of paragraph (a) of this Article shall not be applicable to conservatories and environmental protection areas that already exist or will be established.

e. Leisure and Recreational Compounds, Convention and Exhibition Centers will be classified under category (A).

⁽¹⁾ This Regulation was published in the Official Gazette issue No. (4095) dated 16/1/1996, and amended in the Regulation No. (27) of 1997 published in issue No. (4205) of the Official Gazette dated 17/5/1997, and amended in the Regulation No. (60) of 1997 published in issue No. (4241) in the Official Gazette dated 16/11/1997.

The Schedule

The Governorate	District	Industry	Hotels	Hospitals	Agriculture & Maritime Transport & Railways	Leisure and Recreational Centers + Conventions and Exhibition Centers
The Capital	Amman Kasba	A	A	A	C	A
	Ras Al-Ain	A	B	A	C	A
	Marka	A	C	B	C	A
	Qweismeh	A	C	C	C	A
	University	A	A	A	C	A
	Wadi Al-Seer	A	A	B	C	A
	Maj Al-Hamam	A	C	B	C	A
	Iraq Al-Amir	A	C	B	C	A
	Remaining Districts	A	B	B	C	A
	Sahab	A	C	C	C	A
	Miwagar	B	C	C	C	A
	Ajzrah	B	C	C	C	A
	Umm Al-Rawas	C	C	C	C	A
	Al-Qunaitrah	C	C	C	C	A
	Dhab'ah	C	C	C	C	A
	Al-Amiriyya	C	C	C	C	A
	Zmaleh	C	C	C	C	A
	Na'our	A	C	C	C	A
	Hishan	B	C	C	C	A
Irbid	Irbid Kasba	B	B	C	C	A
	Remaining Districts	B	C	C	C	A

The Schedule

The Governorate	District	Industry	Hotels	Hospitals	Agriculture & Maritime Transport & Railways	Leisure and Recreational Centers + Conventions and Exhibition Centers
Balqa	Salt Kasba	B	C	C	C	A
	Deir-Allah	C	C	C	C	A
	South Shouneh	C	C	C	C	A
	Ain Al-Basha	A	C	C	C	A
Karak	All Districts	C	C	C	C	A
Ma'an	Wadi Mousa	C	A	C	C	A
	Remaining Districts	C	C	C	C	A
Zarqa	All Districts	A	C	C	C	A
	Al-Azraq	B	C	C	C	A
	Berain	B	C	C	C	A
	Al-Hashemiyeh	B	C	C	C	A
	Ad Dabayl	C	C	C	C	A
	Qaser Al-Hallabat	C	C	C	C	A
Mafrag	All Districts	C	C	C	C	A
Tafleh	All Districts	C	C	C	C	A
Madaba	Madaba Kasba	B	C	C	C	A
	Dhiban	C	C	C	C	A
Jerash	All Districts	C	C	C	C	A
Ajoun	Ajoun	C	C	C	C	A
Aqaba	Aqaba Kasba	C	C	C	C	A
	Qwairih	C	C	C	C	A

- Article (4)**
- a. For the purposes of this Regulation, "Industries" shall mean all sectors of industry and its subsectors including any whole or partial modification on the substance to produce a product different in description, shape, characteristics or formation, provided that such activities are conducted inside a relevant establishment in a continuous form.
 - b. For the purposes of this Regulation, "Agriculture" shall mean all sectors of agriculture and animal resources.
 - c. For the purposes of this Regulation, the term "Hotels" shall include touristic villages, compounds and resorts. For a hotel to obtain the exemption specified in the Law, the project should not be classified less than three stars in zone -A-.
 - d. The expression "Leisure and Recreational Compounds" includes any tourist facility or establishment concerned with offering specialized entertainment and cultural services, open for domestic and foreign tourism. The facilities should have lobbies, restaurants and multi-purpose halls provided that their standard should not be less than those of a four star hotel.
 - e. The expression "Convention and Exhibition Centers" includes any establishment concerned with local, regional and international conferences and exhibitions specialized in economic information and cultural activities. These centers contain multi-purpose halls, theaters, press, information, translation and secretarial offices, in addition to supplementary services such as food, beverage and technical communication services as well as other facilities usual in such center and exhibitions.

- Article (5)** The Minister may issue the necessary instructions for the implementation of this Regulation upon the recommendation of the Committee.



Amman Chamber of Industry
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Working Hours

Saturday, Monday, Tuesday and Wednesday: 8:00 - 13:30 15:30 - 17:30

Sunday and Thursday: 8:00 - 13:30

PROFILE

The Amman Chamber of Industry (ACI), established in 1962, is a non-profit organization representing the Jordanian industrial sector and a main reference organization for information on industry and the economy. The Chamber represents in its membership 97% of all Jordanian manufacturing firms, varying in size from the large to the medium and small. Among its members are all the larger industrial companies and corporations in Jordan, including those engaged in mining, energy, fertilizers, chemicals, metals, pharmaceutical, and others.

The functions and duties of the Chamber are wide-ranging and diverse. The Chamber's main concern is the continued growth, well being and development of the Jordanian economy in general, and the industrial sector in particular. It has consistently shown initiative and dynamism, making many significant contributions to the national dialogue. This has earned the Chamber the respect of all other economic institutions and parties in Jordan and a position of leadership in the private sector.

The Chamber's Board of Directors is composed of twelve members directly elected by the Chamber's member every four years. The Chairman and the Board are responsible for general policy formulation and for drawing up programs and plans of action for implementation. The Board meets frequently with the sub-sector committees to address their concerns and to agree with them on any required action. To enable the Board of Directors to perform its task effectively, six committees consisting of Board Members have been established as follows: Permanent Board Bureau, Studies and Development, Legislation and Labor Affairs, Support of Industry and Promotion, Industrial Estates and Industrial Zones, and Arab Relations.

The Chamber participates in the development of national economic policy through its representation on the boards of a large number of the country's relevant institutions including:

- * The Higher Economic Consultative Council
- * The Jordan Industrial Development Bank
- * The Amman Financial Market
- * The Industrial Estates Corporation
- * The Jordan Export Development and Commercial Centers Corporation
- * The Social Security Corporation
- * The Vocational Training Corporation
- * The Amman World Trade Center

The Amman Chamber of Industry

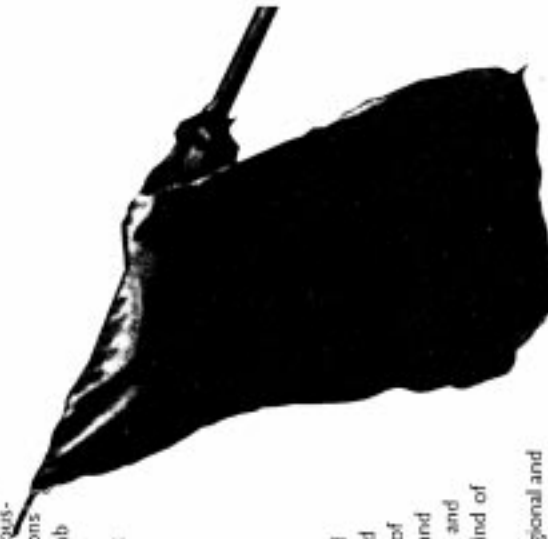
All developments affecting economic and industrial performance including new draft legislation and regulations are therein reviewed, and the Chamber's position towards them developed.

The Chamber is also deeply concerned with Jordan's regional and international economic relations, an interest that revolves around two main aspects. The first of these is the country's export orientation, the position of Jordanian products on foreign markets and the quest for new markets abroad. In this respect, the Chamber is involved in the promotion and development of national exports and in building the ties and bonds necessary for their growth. For this purpose the Chamber continuously develops its relations with its counterpart institutions of industry and trade in many countries of the Arab world and other regions.

The second aspect concerns Jordan's ability to attract foreign investment. This is not merely a question of expanding and enhancing national production, but also one of affirming Jordan's openness to world trade, and its regional and international outlook. Jordan has much to offer, indeed far more than meets the eye. The synergy that would be sparked off by interaction with foreign business, technology, know-how and management is tremendous and holds the promise of great profit for Jordanian and foreign investors alike. The Amman Chamber of Industry is at the forefront of this developing trend and maintains strong ties with various foreign chambers and international organizations in order to ensure this kind of interaction.

Furthermore, the Chamber serves on a number of regional and international bodies including:

- * The International Labor Organization
- * The International Organization of Employers
- * The International Chambers of Commerce, Industry and Agriculture
- * The Arab Labor Organization



FUNCTIONS

The Chamber has a number of important functions through which it represents and serves both individual members and the industrial sector. In their essence, these functions revolve around the following:

- Processing the country's export documentation system.
- Issuing certificates of origin for Jordanian exports and attesting recommendations, invoices and other relevant documents.
- Cooperating with the government in enacting laws, regulations and procedures pertaining to the economy as a whole, and specifically to the industrial sector.
- Providing a forum for members on issues of interest to them and of relevance to the industrial sector.
- Organizing and sponsoring workshops, lectures, seminars, conferences and training programs on economic issues and topics of practical relevance to industrialists.
- Participating in international and regional trade fairs and meetings of international organizations.
- Organizing business delegations abroad with the aim of strengthening international cooperation, promoting investment and trade, locating markets for Jordanian products and encouraging joint ventures.
- Receiving foreign business delegations and arranging meetings and workshops where members of these delegations can meet with their Jordanian counterparts in order to facilitate business interaction.
- Coordinating the activities, requirements and interests of all industrial sub-sectors.



SERVICES

The Chamber performs a wide array of services, which cater to member needs, and to Jordan's industrial sector as a whole, in addition to providing local and foreign institutions and individuals with any needed information on the Jordanian industry. Services include the following:

- Replying to inquiries and arranging direct contacts between foreign entrepreneurs and their Jordanian counterparts.
- Providing information to local and foreign companies and individuals on economic, industrial, trade, investment, and legislative matters.
- Advising economic and investment organizations in their efforts to enhance the country's economic development.
- Promoting industrial exports by carrying out market surveys and providing the necessary information that assists Jordanian entrepreneurs in entering new markets and strengthening their presence in existing ones.
- Conducting training courses, information seminars and workshops on trade and economic issues in a bid to enhance the awareness and knowledge of Jordanian industrialists and to better prepare them for the challenges that lie ahead.
- Maintaining profiles on all Jordanian industrial companies to provide local and foreign customers with the following:
 - Lists of Jordanian products arranged according to international classification systems.
 - Lists of Jordanian manufacturers, organized according to product and industrial sector.
 - Lists of Jordanian exporters and their products.
 - Jordan's export statistics.
 - Statistical data on products and industrial sectors.
- The Chamber also offers legal consultancy to both members and investors in legal matters pertaining to industry such as disputes, labor and industrial legislation, and customs and tariffs, amongst others.
- As a means towards further expanding cooperation with regional and international business partners, ACI holds an annual Jordanian Industrial Fair to coincide with Jordan's Independence Day celebrations in May of each year to display the advanced level of industrial achievement in Jordan. An economic conference is also held parallel to the fair to enhance and expand venues of cooperation with the leaders of regional counterpart institutions and between entrepreneurs from all sides. Both these events present an opportunity for trade visitors from abroad and potential investors to explore avenues of investment and joint ventures with Jordanian counterparts.

OFFICES & DEPARTMENTS

In order to facilitate the smooth operation of its activities and functions, and to best serve the industrial community and the international business community, the Chamber is composed of several specialized departments and has two offices besides its headquarters in Amman.

ACI Offices at the Amman Industrial Estate - Sahab & Al-Hassan Industrial Estate - Irbid

In a bid to extend its services to its members outside of Amman and to support the developing trend of Industrial Estates in Jordan, ACI has established two offices at the Amman Industrial Estate in Sahab and at El-Hassan Industrial Estate - Irbid which serve to facilitate the requirements of manufacturers operating in these Estates and to issue certificates of origin and other necessary documents for industrialists in these areas.

Documentation and Certification Department

The Chamber is entrusted by the government to process the country's export system. This is done through the Documentation and Certification Department which issues the certificates of origin essential to the export process.

The department also issues membership certificates and authenticates the signatures of officials in member companies and endorses documents relevant to production and export. These procedures are processed through a computerized system which ensures a high level of efficiency and speed.

Public Relations Department

Covering all the Chamber's local and regional activities, this department responds to local inquiries and makes arrangements for trade delegations to and from the Arab world. It is also involved in the organization of the annual industrial fair organized by the Chamber and is responsible for all exhibition-related activities and information.

This department also produces the Chamber's biweekly newsletter which contains information relevant to members and the industry as a whole and which is widely distributed to members and interested parties.

Export Relations and Foreign Relations Department

This department plays an active role in the organization of international trade missions, seminars, lectures, workshops and many other activities.

Furthermore, the department works to assist members in promoting their exports through providing entrepreneurs with the information needed to enter new markets and strengthen their presence in existing markets, in addition to assisting them in improving product quality to meet international standards.

The department also acts as a focal point and an information desk for Jordanian manufacturers, potential exporters and investors by processing inquiries originating from within the country and from abroad.

Research and Information Department

This department provides industrialists, investors and the business community as a whole with valuable information and guidance on a number of issues related to industry and to the economy. This is done through the publication of reports, statistics and studies on production contribution to GNP and GDP, the labor force, the investment climate, health and safety issues and small and medium sized industries. This department also examines laws and regulations pertaining to industrial activity in order to ensure fair and active legal representation for the industry.

Environment Department

The first of its kind in the private sector, this department deals with issues such as industrial waste treatment, industrial pollution and water management. The department is entrusted to conduct field surveys, and to monitor the effect of industrial, chemical and bio-chemical effluents on the local environment and especially on water sources. It also functions as a consultant to industrialists by offering them technical advice on resolving industrial waste problems and on the utilization of appropriate technological methods to counter these problems.

Computer Department

The Chamber has developed a computerized database which serves as a nucleus for the industrial sector. Data are gathered and analyzed to generate information needed to fulfill the requirements of the Chamber and its members on issues such as marketing, export promotion and investment. ACI is connected to the National Information Center and is considered the focal point for Jordan's industrial information system. Information related to industry is gathered and classified according to international coding systems and specifically the Harmonized System.

The Chamber is also connected to the Internet through which it can provide its members and the business community as a whole with access to up-to-date information regarding all activities and developments in the industrial field worldwide. Furthermore, ACI has its own web site (<http://www.aci.org.jo>) on which constantly updated information on ACI's role and activities are displayed. The web site is also linked directly to the Chamber's database providing direct and easy access to practical data on Jordan's industrial establishments in order to facilitate interaction between them and interested companies and institutions the world over.

FACILITIES

The Chamber has several facilities which are open to members and to both the local and international business communities. These include the following:



- * A large show room which houses a permanent exhibition of Jordanian industrial products. The exhibition is located in the building of the Chamber and is open to the public.
- * An extensive library comprising a wide range of publications including reference books, world trade and export directories, and local and international periodicals and magazines.
- * A modern well-equipped three hundred seat conference hall housed at the Chamber for the purpose of seminars, conferences and lectures, and other halls for workshops, meetings and training purposes.

PUBLICATIONS

Directory of Jordanian Industries

The Directory of Jordanian Industries is published annually in both Arabic and English and provides extensive information on Jordanian manufacturing companies and the Jordanian products on offer to both domestic and foreign markets. The Jordanian Industries Directory is rich in content, clear in classification and distinct in presentation. It serves the purpose of promoting Jordanian exports and assisting investors who seek partnership with Jordanian companies.

Quarterly Bulletin "Risalat Alsina'a"

"Risalat Alsina'a," is a quarterly Arabic bulletin containing up-to-date information and analysis on the industry and on Jordan's economic development including statistics and details of relevant legislation and regulations, and is distributed to members and relevant parties.

Bi-weekly Newsletter

An informative and very useful Arabic newsletter is produced on a bi-weekly basis and distributed to a wide audience. The newsletter contains information on relevant tenders, and current exhibitions and events pertaining to industry and trade. It also publishes trade and co-operation opportunities received from abroad.

Jordan-Facts and Figures

A bilingual booklet produced annually to provide a brief overview of important facts and figures on the Jordanian economy.

Research Studies and Information Booklets

The Chamber conducts studies on issues of economic and industrial relevance and publishes the results in information booklets that are made available to members and interested local and foreign parties. Furthermore, the research studies undertaken by the Chamber are published to serve as beneficial reference material.

THE CHAMBER'S INDUSTRIAL CLASSIFICATION SYSTEM

The Chamber classifies industrial firms into fourteen sub-sectors distributed in accordance with the type of activity or production they are engaged in. An elected advisory committee of seven members of the Chamber represents each classification or sub-sector in the Chamber. These Committees deal with issues of concern to each sub-sector and report their findings and recommendations to the Board of Directors for appropriate action.

The Chamber's sub-sectors are as follows:

- Leather Products
- Diagnostic and Medical Supplies
- Plastic and Rubber Products
- Chemical Products
- Cosmetics and Perfumes
- Engineering Industries
- Wooden and Metal Furniture
- Construction Industries
- Printing, Paper and Stationery
- Food Products and Supplies
- Textiles and Garments
- Packing and Packaging
- Agriculture Industries
- Mining Industries

In principle, Jordanian industries in all sub-sectors are open to joint ventures and welcome all forms of co-operation, whether in equity participation, patents, technical know-how, marketing or other areas, in a bid to develop and diversify their markets and products. Foreign investors, who have taken the initiative of investing in Jordan, now find that they have a number of successful joint ventures in several areas of production. These include Japanese and Indian joint ventures in chemicals and fertilizers, Korean joint ventures in electronics, European participation in food processing, chemicals and garment manufacturing, and many others.

The Jordan Economy (Facts and Figures)

TABLES & CHARTS

	1992	1993	1994	1995	1996
Area & Population					
Area (89206 sq. km)					
Population (thousands)	3844	3993	4139	4291	4441
GNP (at market price) (Million JD)	3307	3662	4039	4504	5035
GNP Per Capita (JD)	860	917	976	1050	1133
Industrial Production Index 1988=100	113.3	122.2	129.1	134	129.3
Industrial Workers (thousands)	106	111	128	145	150
Foreign Trade					
Domestic Exports (Million JD)	634	691	794	1005	1040
Re-Exports (Million JD)	195	173	201	237	248
Imports (Million JD)	2214	2454	2363	2590	3044
Principle Export/Countries (Million JD)					
- Iraq	49	78	105	191	96
- India	96	66	88	114	82
- Indonesia	29	38	28	27	31
- Saudi Arabia	70	80	72	70	130
- United Arab Emirates	26	30	39	44	59
- Russia	1	25	6	5	5
- Syria	13	19	27	39	41
- Lebanon	10	18	18	24	24
- China	14	16	8	13	10
- Bahrain	8	14	16	15	14
- Turkey	15	13	10	20	18
Production					
Phosphates (100 tons)	5271	4203	4217	4984	5422
Potash (100 tons)	1346	1370	1550	1780	1766
Fertilizers (100 tons)	554	470	750	729	640
Cement (100 tons)	2746	3079	3076	3152	2983
Prices					
Cost of Living Index (1992 = 100)	100.0	103.3	107.0	109.5	116.6
JD = Av. Exchange Rate in US\$	1.47	1.44	1.43	1.43	1.41

The Sub-Sectors of the Chamber

The Chamber's members are grouped into fourteen sub-sectors according to their areas of production.

The following tables show the number of manufacturing firms, the combined registered capital, and the number of employees of each sub-sector according to the Chamber's member records until August 1997.

Sub-Sectors	Total Number of Firms	Total Registered Capital (JD)	Total Number of Employees
Leather Products	433	8,271,200	2930
Pharmaceutical and Chemical Supplies	81	105,192,266	3955
Plastic and Rubber Products	208	31,719,600	3418
Chemical Products	201	150,071,158	8290
Cosmetics & Perfumes	71	6,553,500	664
Engineering Industries	2789	323,269,128	23329
Wood and Metal Furniture	1724	23,156,748	7586
Construction Industries	967	136,265,007	9659
Printing, Paper and Stationery	299	46,219,550	4917
Food Products and Supplies	592	208,687,422	14847
Textiles and Garments	1127	111,567,404	12868
Packing & Packaging Industries	188	45,389,524	3827
Agricultural Industries	44	17,481,933	879
Mining Industries	6	239,661,960	10263
Total	8730	1,453,506,400	1074232

Figure 1:
Distribution of member firms according to sub-sector.

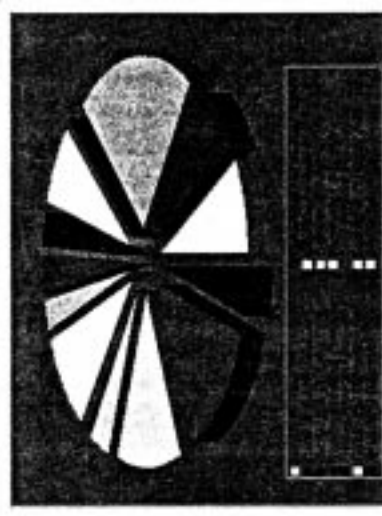


Figure 2:
Distribution of the registered capital of member firms according to sub-sector.

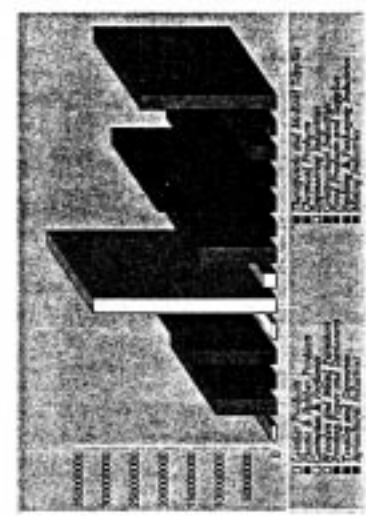
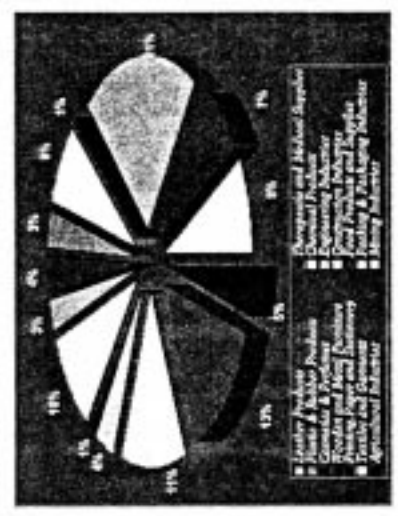


Figure 3:
Distribution of the number of employees in member firms according to sub-sector.



NOTES

Amman Chamber of Industry
Facts and Figures
1995-1997



1

مجلس غرف الصناعة في عمان
معلومات وارقام
1995-1997



1



Jordan
Facts And Figures
1995- 1997

The Amman Chamber of Industry

1998

Amman, The Hashemite Kingdom of Jordan

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P.O.Box 1800, Amman 11118, Jordan
E-Mail: aci@aci.org.jo

JORDAN IN BRIEF

Population:	4.6 Million
Area:	89206 Square Kilometers.
Government:	Jordan is a constitutional monarchy. Legislative power is vested in a two house Parliament; the Upper House with 40 members appointed by the King, and the Lower House with 80 elected deputies in parliament.
Languages:	Arabic, with English spoken widely.
Capital:	Amman, with a population of 1.5 million inhabitants.
Other Major Cities:	Irbid, Zarqa, Salt, Karak, Ma'an, Aqaba, Tafeliah, Jerash, Mafraq, Madaba and Ajloun.
Airports:	Queen Alia International Airport south of Amman, and Aqaba Airport south of Jordan.
Sea Port:	Port of Aqaba
Location:	Jordan is an Acab Middle Eastern Country. In the west, the Jordan River flows through its fertile valley into the Dead Sea, the lowest point on earth. The port of Aqaba in the south, gives Jordan an outlet to the Red Sea. Syria is to the North, Iraq is to the East and Saudi Arabia is to the South East.



Amman Chamber of Industry

The Amman Chamber of Industry (ACI) was established in 1962 as a non-profit organization that groups all the manufacturing firms under one umbrella. Membership amounts to 8500 firms. The Chamber represents in its membership 90% of Jordanian manufacturing investments and is run by a 12-member Board of Directors, elected for a four-year term by the Chamber's General Assembly .

ACI serves as a forum for the views and opinions of Jordan's industrial sector, with the aim of promoting economic development in the country. It conducts studies and surveys and develops data banks to serve industrialists, investors and researchers. The Chamber cooperates closely and maintains regular contact with all government ministries and departments that are involved in the country's economic planning.

The Chamber has fourteen consulting committees, representing various industrial sub-sectors. These committees are elected for a two year term to coordinate with the Board of Directors on all issues relevant to the sectors they represent.

ACI cooperates with the Government in enacting laws and regulations relevant to the needs of the industrial sector. It sponsors panel discussions and seminars on various economic issues relating to industry, as well as organizing and participating in various trade fairs.

المستوردات الأردنية حسب السلع
Imports by Commodity

بالمليون دينار

JD Million	1997	1996	1995	
Consumer Goods:	709	727	600	السلع الاستهلاكية
Food and Live Animals	540	686	419	ومنها: المواد الغذائية:
Meat & Live Animals	65	65	59	ومنها اللحوم والحيوانات الحية
Sugar	41	60	30	السكر
Wheat & Flour of Wheat	76	112	41	دقيق الحنطة والقمح
Rice	32	31	22	أرز مقشود
Raw Materials	1554	1651	1428	المواد الخام ومنها:
Oil and Fuel	374	364	324	المحروقات والوقود
Construction Materials	26	30	28	مواد بناء
Other	1154	1257	1071	مواد خام أخرى
Capital Goods	449	474	393	السلع الرأسمالية
Transport Equipment, Ex-cluding Small Vehicles	123	115	96	ومنها: وسائل النقل عدا سيارات الركاب الصغيرة
Spare Parts	196	191	155	قطع غيار
Selected Imported Goods				سلع مستوردة منتقاة
Textiles & Related Products	82	92	89	الغزل والنسيج ومصنوعاتها
Medical & Pharmaco Products	92	84	88	أدوية ومستحضرات طبية
Plastic Products	63	66	56	مواد بلاستيكية
Paper & Cardboard	59	67	73	الورق والكرتون
Clothing & Footwear	42	42	44	ملابس وأحذية
Total	2909	3044	2590	الإجمالي

المستوردات الأثرية حسب أهم البلدان
Imports By Major Countries

JD Million

بالمليون دينار

	1997	1996	1995	
Arab Countries	683	762	609	الدول العربية:
Iraq	364	358	316	العراق
Saudi Arabia	103	92	91	السعودية
Syria	59	100	55	سوريا
Egypt	26	66	32	مصر
Lebanon	25	37	30	لبنان
Bahrain	12	20	28	البحرين
U.A.E.	18	15	11	الإمارات العربية
Qatar	8	6	5	قطر
Non-Arab Countries	2226	2282	1981	دول غير عربية ومنها:
U.S.A	275	295	241	الولايات المتحدة الأمريكية
European Union Countries	947	964	859	دول الاتحاد الأوروبي ومنها:
Germany	291	242	218	ألمانيا
Italy	172	178	139	إيطاليا
U.K.	140	133	125	المملكة المتحدة
France	101	149	119	فرنسا
Netherlands	67	82	72	هولندا
Belgium	38	44	52	بلجيكا
Spain	37	34	41	إسبانيا
Other Countries	1004	1022	881	دول أخرى ومنها:
Japan	148	127	91	اليابان
South Korea	68	94	77	كوريا الجنوبية
Turkey	75	108	89	تركيا
Republic of China	72	64	59	الصين الشعبية
India	54	53	49	الهند
Indonesia	32	36	38	إندونيسيا
Taiwan	35	37	33	تايوان
Russia	34	36	31	روسيا
Romania	17	33	22	رومانيا
Total	2909	3044	2590	الإجمالي

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الصادرات الأثرية حسب السلع
Exports By Commodities

JD Million

بالمليون دينار

	1997	1996	1995	
Mining and Fertilizers	327	382	340	التعدين والاسمدة
Phosphates	134	127	105	الفوسفات
Potash	99	126	122	البوتاس
Fertilizers	94	129	113	الاسمدة
Manufacturing (Excluding Fertilizers)	576	513	582	الصناعات التحويلية (عدا الاسمدة)
Medicaments	132	104	87	الأدوية
Detergents and Soap	38	25	33	التنظفات والصابون
Cement	33	41	30	الاسمنت
Textiles & Related Products	25	25	23	الغزل والنسيج ومصنوعاتها
Clothes	26	24	17	للألبس
Paper and Cardboard	26	22	14	الورق والكرتون
Plastic Products	6	5	7	مواد بلاستيكية
Paints	7	7	8	الدهانات
Others	283	260	363	صناعات أخرى
Total Industrial Export	903	895	922	مجموع الصادرات الصناعية
Total Agricultural Export	163	145	83	الصادرات الزراعية
Total National Export	1066	1040	1005	إجمالي الصادرات الوطنية
Contribution of Industrial Exports to National Exports	85%	86%	92%	نسبة الصادرات الصناعية إلى الصادرات الوطنية
Re-Exports	234	248	237	السلع المعاد تصديرها
Total Exports	1300	1288	1240	إجمالي الصادرات

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الصادرات الأردنية حسب أهم البلدان
Exports By Major Countries

JD Million	1997	1996	1995	بالمليون دينار
Arab Countries	554	485	452	الدول العربية:
Iraq	142	96	191	العراق
Saudi Arabia	141	130	70	السعودية
U.A.E	55	59	44	الإمارات العربية
Syria	26	41	39	سوريا
Lebanon	28	24	24	لبنان
Bahrain	12	14	15	البحرين
Qatar	22	18	10	قطر
Egypt	14	14	9	مصر
EU Countries	78	86	63	دول الاتحاد الأوروبي
Italy	14	21	18	ومنها:
Netherlands	17	16	16	إيطاليا
Germany	17	12	4	هولندا
Other Countries	434	469	490	دول أخرى:
India	97	82	114	ومنها:
Ethiopia	45	45	12	الهند
Indonesia	18	31	27	إثيوبيا
Turkey	16	18	20	إندونيسيا
U.S.A	5	14	15	تركيا
Malaysia	15	19	15	الولايات المتحدة
South Korea	19	18	13	ماليزيا
Japan	13	12	13	كوريا الجنوبية
Taiwan	9	12	13	اليابان
Republic of China	14	10	13	تايوان
Pakistan	13	19	11	الصين الشعبية
Australia	15	12	8	باكستان
Russia	1	5	5	أستراليا
Total	1066	1040	1005	المجموع

* المصدر: شجرة البنك المركزي

الإنتاج الصناعي لأهم الصناعات
Industrial Production of Principal Industries

	1997	1996	1995	
1- Mining and Quarrying				١- الصناعات الاستخراجية
Phosphates (000 Ton)	5896	5422	4984	فوسفات (الف طن)
Potash (000 Ton)	1416	1766	1780	بوتاش (الف طن)
2- Manufacturing				٢- الصناعات التحويلية
Fodder (000 Ton)	73	54	54	الإعلاف (الف طن)
Alcoholic Drinks (000 Litre)	7825	7972	6847	المشروبات الكحولية (الف لتر)
Cigarettes (Mill. Cig.)	1853	2769	3667	السجائر (مليون سيجارة)
Textiles (000 Yards)	1459	1764	1745	الإجسراج (الف ياردة)
Spinning (Ton)	1240	1614	1524	الغزل (طن)
Upper Leather (000 Sq. Ft.)	2270	2139	2520	الجلد العلوي (الف قدم مربع)
Sole Leather and Wool (Ton)	46	55	51	جلد النعل والصوف (طن)
Fertilizers (000 Ton)	586	640	729	الأسمدة (الف طن)
Chemical Acids (000 Ton)	1289	1260	1338	الأحماض الكيميائية (الف طن)
Detergents (000 Ton)	22	15	22	مسحوق الصابون (الف طن)
Cement (000 Ton)	3055	2983	3152	الإسمنت (الف طن)
Iron (000 Ton)	115	172	151	الحديد (الف طن)
Petroleum Products (000 Ton)	3301	3154	3101	منتجات بترولية (الف طن)
Paper and Cardboard (000 Ton)	12	18	14	الورق والكرتون (الف طن)
Liquid Batteries (000 Batt.)	56	63	70	بطاريات سائلة (الف بطارية)
3- Electricity (Mill. K.W.H)	5941	5686	5252	٣- الكهرباء (مليون ك.و.س)
Industrial Production				الرقم القياسي للإنتاج
Index (1994 = 100)	109.5	105	109.1	الصناعي (١٩٩٤ = ١٠٠)

* المصدر: شجرة البنك المركزي

النقد والبنوك والائتمانات والتفقات العامة للحكومة
Money, Banking & Public Finance

بالمليون دينار

	1997	1996	1995
Money and Banking			
Number of Banks & Branches	452	445	430
Deposits with Licenced Banks	6,388	5,989	5,788
Outstanding Credit from Licenced Banks	3,933	3,895	3,714
Outstanding Credit to Industry from Licenced Banks (end of period) Excluding Mining	5,074	5,006	4,995
Gross Foreign Assets of the Central Bank	2,269	2,024	2,018
Gross Foreign Assets of Licenced Banks	2,182	2,018	1,883
Workers' Remittances	1,174	1,095	872
External Public Debt	4,581	4,723	4,466
Government Domestic Revenues	1,574	1,503	1,451
Tax Revenues	914	869	758
Non-tax Revenues*	660	634	693
Foreign Grants	217	220	170
Central Government Expenditures	1,777	1,741	1,698
Current	1,460	1,436	1,369
Capital	327	319	334
U.S \$ / JD Average Exchange Rate in U.S \$	1.41	1.41	1.43

* تشمل الرخص والرسوم وائتمانات الهاتف وائتمانات اخرى
* Includes Licences, Fees, Post, Telephones & other Revenues

A

الناتج المحلي الاجمالي بالاسعار الثابتة
Gross Domestic Product At Constant Prices

1985 = 100

بالمليون دينار

	1997	1996	1995
Agriculture, Hunting Forestry & Fishing	152	150	146
Mining & Quarrying	64	62	56
Manufacturing	401	382	360
Electricity & Water	81	77	74
Total Industry	546	521	490
Construction	206	206	202
Wholesale & Retail Trade			
Restaurants & Hotels	123	117	110
Transport, Storage & Communications	356	324	335
Finance, Insurance, Real Estate			
Business Social & Community Services	539	513	473
Producers of Government Services, Private & Household	567	545	524
Services* Less: Imputed Bank Service Charge	- 51	- 49	- 47
Gross Domestic Product at Factor Cost	2,506	2,396	2,289
+ Indirect Taxes, Less Subsidies	527	502	465
GDP at Producers' Prices	3,043	2,898	2,754
GDP Per Capita (JD)	662	652	642

* اكثر من 90% منها خدمات حكومية

* More than 90% of which are Government Services

A

الناتج القومي الإجمالي بالأسعار الجارية
Gross National Product at Current Prices

JD Million	1997	1996	1995	بالمليون دينار
Agriculture, Hunting, Forestry & Fishing	251	233	213	الزراعة والغصن والصيد وصيد الأسماك
Mining and Quarrying	165	154	128	التاجير والحاجير
Manufacturing	748	689	619	الصناعات التحويلية
Electricity and Water	109	98	91	الكهرباء والمياه
Total Industry	1022	941	838	الصناعات التحويلية
Construction	368	341	328	تجارة الجملة والتجزئة والتاعيم والنساق
Wholesale & Retail Trade, Restaurants & Hotels	519	480	423	التجارة الجملة والتجزئة والتاعيم والنساق
Transport, Storage and Communication	671	592	532	النقل والتخزين والاتصالات
Finance, Insurance, Real Estate, Business Community & Social Services	813	767	706	خدمات المال والتأمين والمصارف والأعمال والبنوك
Producers of Government Services, Private & Household Services*	919	856	791	متجر الخدمات الحكومية والزيارات والخاصة
Less: Imputed Bank Service Charge	93-	- 87	- 79	ناتج الخدمات المصرفية
Gross Domestic Product at Factor Cost	4625	4260	3873	الناتج المحلي الإجمالي بصعير التكلفة
Indirect Taxes, less Subsidies	982	886	782	بصعير التكلفة
- GDP At Producers Prices	5606	5147	4655	+ الضرائب غير المباشرة ناقص الاعانات
+ Net Factor Income From Abroad	47-	- 112	- 117	الناتج المحلي الإجمالي بصعير التجهيز + صافي دخل عوامل الانتاج من الخارج
GNP at Market Price	5559	5035	4538	الناتج القومي الإجمالي بصعير السوق
GNP per Capita (JD) at Current Prices	1219	1158	1085	معدل دخل الفرد بالدينار بالاسعار الجارية

* More than 90% of which are Government Services
* أكثر من 90٪ منها خدمات حكومية

التعليم والتنمية البشرية
Human Development & Education Indicators

Standard of Living Indicators	1997	مؤشرات مستوى المعيشة
Person per Doctor	600	عدد الأشخاص لكل طبيب
Person per Hospital Bed	560	عدد الأشخاص لكل سرير
Person per Private Car	14	عدد الأشخاص لكل مركبة
Person per Telephone	10	عدد الأشخاص لكل هاتف
Per Capita Electricity Consumed (KWH)	1150	نصيب الفرد من الطاقة الكهربائية المستهلكة (ك.و.س)
Population Provided with Electricity	99%	السكان المزودون بالكهرباء
Per Capita Energy Consumed (Kg Oil)	950	نصيب الفرد من الطاقة (كغم نفط)
Total Energy Consumed (000 ton Oil)	4670	اجمالي استهلاك المملكة من الطاقة (الف طن نفط)
Education		التعليم
No. of Schools	4478	عدد المدارس
No. of School Teachers	61704	عدد المعلمين
No. of Students	1,346,178	عدد الطلاب في المدارس الخاصة
Students of Private Schools	229,487	عدد طلاب المدارس الحكومية
No. of Government Universities	7	عدد الجامعات الحكومية
No. of Private Universities	9	عدد الجامعات الخاصة
No. of Govt University Students	60000	طلبة الجامعات الأردنية الحكومية
No. of Private University Students	30000	طلبة الجامعات الأردنية الخاصة
University Students Abroad	29581	الطلبة الأردنيين في الخارج
Community Colleges Students	24000	طلبة كليات المجتمع
Illiteracy Rate %	12%	نسبة الأمية /

معلومات عامة
السكان، المواليد، الوفيات، القوى العاملة
General Information
Population, Births, Deaths and Labour Force

	*1997	1996	1995	
Population (000)	4600	4444	4291	السكان (بالآلاف)
Population Density (Person per Sq. Km)	51,7%	49,4	47,3	الكثافة السكانية (شخص لكل كم ²)
Percentage of Urban				نسبة سكان الحضر
Population	81%	80%	79%	النسبة المئوية للسكان
Birth Rate per (000)	33	33	34	معدل المواليد (بالآلاف)
Death Rate per (000)	6	6	6	معدل الوفيات (بالآلاف)
Life Expectancy at Birth (Year)	68	68	68	العمر المتوقع عند الميلاد (سنة)
Labour Force (000)	1014	994	975	عدد العمال (بالآلاف)
Industrial Establishments (000)	24,5	24	23	عدد المنشآت الصناعية (بالآلاف)
Labour Force in Industry	150	143	136	العمال بالصناعة (بالآلاف)

* تقديرات أولية

* Preliminary