

# JORDAN



## Stability and security provide solid platform

Under the guidance of King Abdullah II, Jordan is **setting the standard** for socioeconomic development

**A**n oasis of peace in a region experiencing social and political instability, the Kingdom of Jordan is making solid progress on the many socioeconomic development goals featured in its comprehensive Vision 2025 strategic plan.

Under the leadership of His Majesty King Abdullah II bin Al Hussein, political and economic reforms are being implemented in a move that will increase Jordan's appeal to international investors.

With such promising investment on the horizon, the economy is more likely to thrive and experience sustainable development, not become reliant on foreign aid.

Despite the challenge of hosting 1.3m Syrian refugees, Jordan has handled the humanitarian crisis courageously and admirably, with valuable support from in-

ternational partners and donors, including the UK.

In February 2016, London hosted a conference that brought together world leaders to raise up to \$12bn in grants and \$41bn in loans to help displaced people in the region.

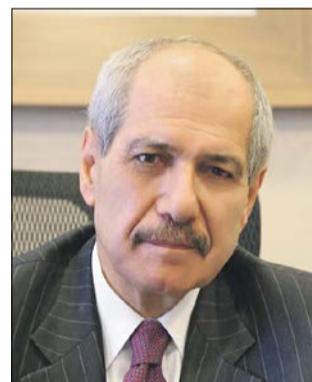
"Jordan may be small, but it is rich in terms of its strategic assets," says His Majesty. "Re-envisioning these assets is vital for our growth. Jordan is a gateway for regional and world trade and business."

In May 2017, His Majesty launched an innovative plan designed to stimulate economic growth and boost the resilience of the national economy.

The Jordan Economic Growth Plan 2018-2022 aims to inject vigour into the economy and put the Kingdom on a sustainable development trajectory, lessen



H.E. King Abdullah II bin Al Hussein



H. E. Dr. Fayed A. Tarawneh  
Chief of the  
Royal Hashemite Court

dependence on aid by relying on expanding economic and investment opportunities, and provide decent employment opportunities for young people.

"We do not have any option to cut debt, uplift income levels and increase job opportunities, but [we can] through implementing the programs and plans devised in cooperation with the international community. Jordanian expatriates and businessmen, and

Arab and foreign investors," His Majesty stated.

The strength of Jordan's natural and human assets is further outlined by H.E. Dr. Fayed A. Tarawneh, Chief of the Royal Hashemite Court, who has served two terms as Prime Minister, and is a former ambassador to the US.

"Social cohesion is the main reason for our stability. Our surroundings are in a very complicated moment, but our model

is different. There is freedom, we do not have political prisoners and most of our problems are not structural, but regional ones.

"Jordanians are highly educated, welcoming people and good workers. This is the most powerful asset that we have for socioeconomic development."

The UK and Jordan have enjoyed strong economic, political,

fields, especially military cooperation.

As Her Majesty's Ambassador to Jordan, Mr. Edward Oakden CMG knows how hard the public and private sectors are working to capitalise on the Kingdom's strategic location, modern infrastructure, free trade agreements, and excellent human resources.

"Jordan is a country which per-

**Social cohesion is the main reason for our stability.**  
Most of our problems are regional ones."

H.E. Dr. Fayed A. Tarawneh, Chief of the Royal Hashemite Court

sonifies in many ways what the future of the Middle East can be," he states.

"One that is inclusive, diverse, tolerant of beliefs and religions, and supportive of an educational system equipping the future generations."

"There are strong sectors here already in financial services, renewable energy, and tourism, there is an enormous scope with unique offerings."

## Rolling the wheel of the Jordanian economy

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# Financial sector curates growth climate

Jordan boasts a large and successful **financial services sector** and one of the oldest stock markets in the region

**O**ffering a pro-business climate and range of fiscal attractions like free trade zones, Jordan's series of reforms are attracting international attention as investors seek out lucrative opportunities in areas such as manufacturing, food processing, pharmaceuticals, energy, agriculture, and tourism – including medical tourism.

The banking and financial services sector is one of the main drivers of economic growth. Robust, reliable and prudent, the industry adheres to international best practice and operates in a strict regulatory environment nurtured by the Central Bank of Jordan (CBJ).

Despite external shocks – global and regional – and the challenges weighing on the economy, the two dozen or so banks continue to perform strongly, with data compiled by the CBJ showing a solid increase in credit facilities, assets, capital adequacy and liquidity.

"We have reduced the burden of long term projects by giving priority to private banks to



**H.E. Omar Z. Malhas**  
Minister of Finance

provide credit for sectors that contribute to national economic development," explains CBJ Governor, H.E. Dr. Ziad Fariz.

"Now we are paying attention to exports through additional financing and capital that the banks are contributing as guarantees of credit for exporters."

#### All eyes on Vision 2025

Dominated by two key players – Arab Bank and Housing Bank for Trade and Finance – the financial

services sector is increasingly transparent and efficient, with new measures contained in the Vision 2025 strategic blueprint providing a roadmap for further growth.

"Our banking system is very well set up, very well regulated, very well capitalised, and the capital adequacy ratio is probably one of the highest in the region," says Jordan's Finance Minister, H.E. Omar Z. Malhas.

"Solid foundations for any economy begin with a strong financial system. We are the right country in the wrong neighbourhood.

"We have political stability and proper security in the sense that you do not see what you see in the countries around us."

Headquartered in Amman, Arab Bank is the largest global Arab banking network with more than 600 branches spanning five continents and serving tens of thousands of customers.

Present in key financial markets and centres such as London, Dubai, and Singapore, Arab Bank provides a wide range of financial products and services for individuals, corporations and other financial institutions.

Coming up close behind is the Housing Bank for Trade and Finance (Housing Bank), a market leader in the banking sector.

During the last four decades, the Housing Bank fostered the development in commercial banking in corporate, retail, and investment banking; in addition to acting as a major lender to a host of strategic projects implemented by the government and public institutions.

The bank is a pioneer on mega projects in Jordan, blazing a trail with initiatives in financing LNG, and oil and gas imports.

The Housing Bank has earned its reputation as an architect and key contributor to the resilient and well-performing Jordanian banking sector.

In 2016, the Housing Bank enjoyed record profits and revenues and was voted "Best Bank in Jordan" by the Middle-East edition of The Banker magazine.

By implementing shrewd business management and a raft of excellent products and services, the Housing Bank has also managed to capture much of the retail market too.

The group's focus on tailoring certain products toward the younger generation creates tremendous opportunities: "We have a lot of untapped potential in our existing customer base but we also want to attract new customers.

"We are sitting on a goldmine in the retail market; some 70% of our population are under 30, so we need to make the most of that," says CEO, Mr. Ihab G. Saadi.

By targeting the younger generation, providing banking services at affordable cost, along with reinforcing its traditional strengths, the Housing Bank is growing its leading position in a highly competitive market. In terms of coverage, they are the firm leader: "We have 130 branches strategically widespread across the country," declares Mr. Saadi.

On the international level, the bank has a controlling stake



**H.E. Dr. Ziad Fariz**  
Governor & Chairman of the Board, Central Bank of Jordan



**Ihab G. Saadi**  
CEO, Housing Bank for Trade & Finance

**"Solid foundations for any economy begin with a strong financial system. We are the right country in the wrong neighbourhood. We have political stability and proper security, we do not have the problems of our neighbours."**

**H.E. Omar Z. Malhas, Minister of Finance**

our market share in this sector, but mindful of the overall economic situation.

"By targeting more prudent transactions, we managed to increase our net credit facilities by more than \$600 million in 2016, while our non-performing loans (NPLs) declined."

Mr. Saadi is proud of the role the Housing Bank is playing in contributing to the Jordanian economy, especially at a time when the Kingdom is working hard to attract FDI.

"Once they have, it is our role to ensure investors know how banking is done here, how we can support them, and that they understand how we can partner with them as their bankers so they can bring their investments and projects to fruition."

#### Guarding against risk

The Jordanian insurance sector continues to grow, with more than 20 providers competing for business in areas like medical and

**"We are leaders on large scale projects and we are bullish in this respect; we have the appetite for it. If it makes sense, we go for it."**

**Ihab G. Saadi, CEO, Housing Bank for Trade and Finance**

motor cover. The industry is expected to witness consolidation in the coming years.

Three major players hold a coveted B++ credit rating from the world's oldest and most authoritative agency, AM Best. They are: gig | Arab Orient Insurance Company, Solidarity First Insurance and Middle East Insurance.

Mr. Saadi outlines the Housing Bank's general expansion plans: "We simply wish to grow both our subsidiaries and our local business assets.

"At the same time, we are leaders on large scale projects and we are bullish in this respect; we have the appetite for it, and if it makes sense, we go for it.

"Our corporate base is quite strong as well; and we're being reasonably aggressive to expand

sophisticated products and reputation that makes it the insurance company of choice for many of the most prestigious Jordanian companies, as well as the British Embassy in Amman.

"We have a 25% share of the entire insurance market in Jordan, including around 50% of the specialised medical insurance category," reveals Mustafa Melhem, CEO of gig | Arab Orient Insurance Company.

"Our main goal for 2017 is the retail area. We have high targets and tailor products to clients' needs. We want to be everywhere – in cities and rural areas.

"Our strategy is to grow into one of the top five insurance groups in the Middle East and North Africa (MENA) by 2022."

#### Trading platform grows

Investors seeking an efficient and safe market for trading securities in Jordan need look no further than the Amman Stock Exchange (ASE).

Earlier this year, the trading house was registered as a public shareholding entity completely owned by the government as The Amman Stock Exchange Company (ASE Company).

CEO Mr. Nader Azar, explained the ASE Company is the legal and factual successor to the ASE and will operate, manage and develop the operations and activities of securities, commodities, and derivatives markets inside and outside Jordan.

"The transformation of the ASE to a company is expected to enhance the role it plays in serving the national economy, and will enable it to offer better services, attract new companies and new clients," Mr. Azar states.

With such a vibrant and competitive banking and financial services sector, core pillars for economic growth are in place.

The industry is healthy and well regulated, meaning it offers investors the ideal opportunity to secure a valuable foothold in a region primed for growth.

## gig | Arab Orient Insurance

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Strong and assured, gig | Arab Orient Insurance is the market leader of insurance in the Hashemite Kingdom of Jordan. With a wide network of branches covering all of Jordan and as a member of Gulf Insurance Group which serves the Middle East and North Africa (MENA), and constantly working to improve strategies and utilise the latest technologies to provide excellent insurance programs and service to the highest professional standards; customers can feel certain of their choice.

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# “Made in Jordan” label goes global

A solid manufacturing base is critical for **sustainable growth**, creating new skills and **moving Jordan up** the value chain

**J**ordan's industrial sector is one of the most promising for international investors as the Kingdom has many industrial estates and areas that support industries whose participants benefit from fiscal incentives.

More than 20 free trade agreements (FTAs) enable goods with the “Made in Jordan” label to reach billions of consumers, with many of these products originating from free trade zones that act as an efficient low-cost conduit for trade.

Jordan has a long history of international trade and the many lucrative FTAs have enabled industry to branch out to wider export markets, while also developing a more internationally competitive outlook.

Supported by free trade zones and industrial estates, foreign players can establish operations in the Kingdom safe in the knowledge they will benefit from favourable access to lucrative international markets.

Jordan's main industrial sectors include manufacturing, apparel, cement, fertilisers and



**H.E. Eng. Yarub Qudah**  
Minister of Industry,  
Trade & Supply

pharmaceuticals.

Among the many success stories are Petra Engineering Industries Company, Nuql Group, Kawar Group, Arab Potash Company (APC), and the diversified Manaseer group.

Indeed, Petra Engineering Industries is a perfect example of what can be achieved in Jordan in just a couple of generations.

The Heating, Ventilation, and Air Conditioning (HVAC) en-

terprise is now a global market leader in the design and manufacture of sophisticated commercial and industrial HVAC equipment; counting NASA and the Empire State Building amongst its many clients.”

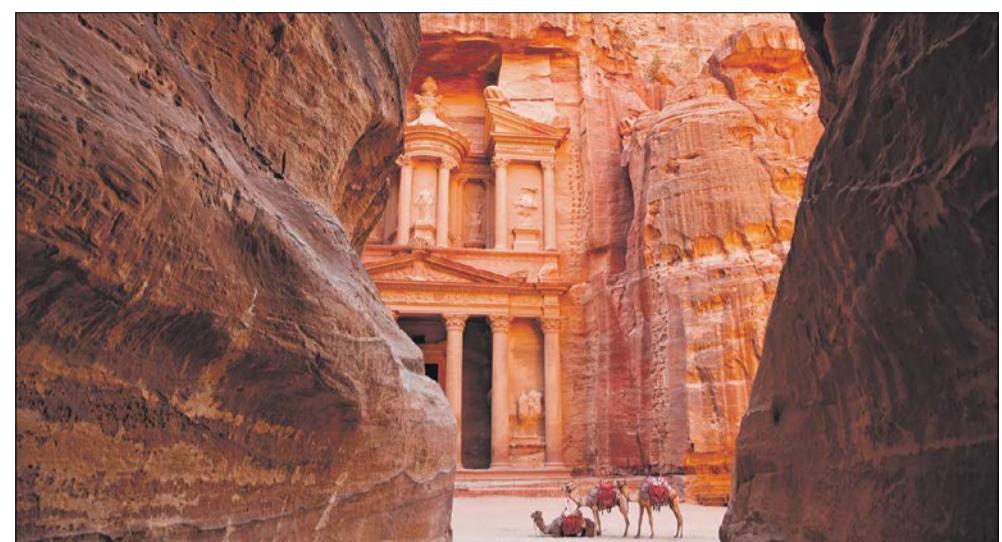
“The beauty of the Jordanian economy is that it's very dynamic and flexible, explains H.E. Yarub Qudah, Minister of Industry, Trade & Supply.

“In the industrial sector, the potential is very high. We are one of the pioneers in agriculture, we are the only country in the region with a 12-month calendar, which means that you can produce at any time.

“Looking at other natural resources, we have potash and phosphates which have created great opportunities in the downstream industries. Rather than exporting raw materials, we can export high-end products.

“There are huge opportunities in the industrial sector and we also have energy,” he adds.

“Jordan imports around 98% of its energy needs, and as for renewable energy, Jordan is one



The ancient city of Petra once bustled with trade, the same is true of Jordan's other cities today.

of the most feasible countries for solar power.”

## Energising the economy

The energy sector is one of the most attractive for foreign investors, with the lack of investment to date creating obstacle to economic growth as it reduces competitiveness.

“The industrial sector directly contributes 25% to GDP, and more than 40% indirectly,” reveals Dr. Maher H. Al-Mahrouq,

There are huge opportunities in the industrial sector and we also have energy. Jordan is one of the most feasible countries for solar power.”

**H.E. Eng. Yarub Qudah, Minister of Industry, Trade & Supply**

General Manager of the Jordan Chamber of Industry.

“The sector employs more than 250,000 Jordanians; and its ability to create jobs in challenging circumstances is impressive.

Chamber Chairman, Adnan Abu Al Ragheb, adds: “Focusing

on Jordan's stability and noting which countries surround us could be the most incredible factors for any investors looking to work in the region or to use Jordan as an access gate for all the countries throughout the Arab world.”

# Manaseer displays the Midas touch in many sectors

Providing the materials for the country's major infrastructure projects is a **vital role**

**A**true industrial giant that has enjoyed tremendous growth in less than two decades through \$2 billion of investment, Manaseer Group is a national icon that now comprises nearly 20 companies, employing approximately 10,000 people in Jordan alone.

Founded by dynamic businessman Eng. Ziad Al Manaseer, the firm has fully utilised Jordan's competitive advantages to

grow into one of the largest and most important companies in the Kingdom and wider region.

With a focus on the development and optimisation of the Kingdom's economic environment and industry, Manaseer Group's wide range of activities include infrastructure and building materials, energy, food, fertilisers, oil and gas, technology, transport, and machinery.

Manaseer Iron and Steel col-

lects scrap metal for recycling to produce steel billets which are used to produce reinforced rebar steel via further processing.

The forward-thinking company provides cut and bend services and boasts modern and well-equipped laboratories to ensure quality of product compliance to standards.

“The construction sector is the leading sector of industry in Jordan, and as we continue to receive a lot of refugees, they need housing, infrastructure, and so on,” says Manaseer Iron and Steel Managing Director, Eng. Mohammad Al-Kharabsheh.

“We have good market share and continue to grow. Last year, we operated at full capacity and it was still not sufficient to satisfy demand, meaning we had to lease some rolling mills.”

## Power plant switch on

To fulfill its growing energy requirements, the group is leading by example and creating its own power station to produce electricity later this year.

“The power station will reduce our costs,” the senior executive adds. “Energy is a challenge, but we have to deal with it.

“We are also working to se-

cure a supply of natural gas to improve our efficiency in an environmentally safe manner.”

Mr. Al-Kharabsheh sees a myriad of opportunities for investors from the UK and other nations, particularly when it comes to financing major infrastructure projects.

He is eager to work with British firms, and is seeking partners from there and elsewhere.

“Iraq and Syria will stabilise, sooner or later, and we have to be ready for the reconstruction of these two countries,” he adds. “We have to contribute and for that, we need partners.”



**Eng. Mohammad Al-Kharabsheh**  
Managing Director  
Manaseer Iron & Steel

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# Innovation and style create winning look

From eye-catching fashion to **cutting-edge** hardware and software systems, Jordan blends colourful creativity with a passion for premium quality and service

**F**using modern technology and machinery with highly trained and skilled workers has seen Jordan make giant strides in its goal to become a regional hub for innovative business activities like apparel manufacturing and ICT design.

Following extraordinary growth in recent years, the garment industry's success means the "Made in Jordan" label is increasingly found on collections from leading brands.

With about 80 factories working around the clock, many of which are based on industrial estates, apparel manufacturing is now big business, with the sector generating billions of dollars in foreign revenue.

Responsible for around 20% of GDP and employing tens of thousands of people throughout the manufacturing and distribution process, the clothing sector has enjoyed tremendous success and is set to utilise the skills of thousands of refugees as it looks to keep up with demand.

At the forefront of this manufacturing revolution stands Classic Fashion Apparel Industry, an industry goliath boasting 12 factories that are home to more than 10,000 machines and nearly 20,000 employees who churn out 200,000-250,000 garments per day.

In 2016, the company – which was only established in 2003 at the Al-Hassan Industrial Estate near Irbid – achieved a total output of 52 million garments that generated a turnover of more than \$353 million.

With a quarter share of the entire garment export market in Jordan, Classic Fashion's prestigious client list includes global giants like Under Armour, Wal-Mart Stores, Hanes Brand, GAP, American Eagle Outfitters, One Jeanswear Group, J. C. Penney Company, and Lands' End.



**Sanal Kumar**  
Chairman & Managing Director  
Classic Fashion Apparel



Protecting children from trafficking and enabling access to cash assistance using iris recognition.

The award-winning enterprise is on the Golden List of Companies established by the Ministry of Labour. In addition, the firm supports the Better Work Program created by the UN's International Labour Organization (ILO) and the International Finance Corporation (IFC).

Proud founder, Chairman and Managing Director, Sanal Kumar, attributes his firm's impressive success to key factors such as impeccable quality, adherence to specifications, punctuality in delivery and the observance of international labour legislation.

"In 2003, I started with just two production lines and 300 employees," he says. "Today, I have close to 20,000 workers, a dozen factories, and am the biggest producer of garment exports from Jordan - almost 24% of all garment exports. We expect our turnover to increase to \$400 million in 2017."

"I could only achieve all this growth just because I am in Jordan. If I was in any other part of the world, I would not have been able to grow at the speed and to the size that I have."

"This is because of the governmental support that Jordan offers, there are very good support mech-

anisms.

"This country is amazing. We have more than \$100 million in investments, all of which is created through business here. If anybody wants to invest here, they should, because you can really flourish."

"You can access people from anywhere, any minister, even the Prime Minister is available. In no other country is it possible to have such access to such important decision makers," Mr. Kumar concludes.

Such impressive growth is not restricted to the apparel industry, with similar success achieved by enterprises in the fast-moving ICT sector.

The Kingdom wishes to digitise the entire economy through a focus on niche markets and global value chains.

More than 400 companies of all sizes — who between them directly employ 16,000 people — are involved in the IT sector; with tens of thousands of other workers indirectly reliant on the highly competitive industry.

According to the Jordan Investment Commission (JIC), the ICT sector was the third highest contributor to GDP in 2015; contributing over 14% via operations

and activities in spheres such as telecom, IT, business outsourcing, mobile and online content, and games.

In addition, three quarters of Arabic content on the Internet comes from Jordan's ICT sector, and multinationals with operations and investment in the Kingdom include Cisco, HP, Sun Microsystems, Orange, Intel Capital, and Yahoo.

#### IrisGuard catches the eye

IrisGuard Inc., a Jordanian-British company, has developed incred-

The award-winning technology began life as a tool for national security provision such as border control tracking systems in the UAE.

It was then adapted for banks. ATMs can be fitted with the fail-proof Eye-Bank Suite so customers can access cash without a bank card or other form of identification. Cairo Amman Bank and Housing Bank were the first to take up the technology with it soon rolling out elsewhere.

"Another one of our innovations is EyePay; a system whereby you

In 2003, I started with just two production lines and 300 employees. Today, I have almost 20,000 workers, a dozen factories, and am the biggest garment exporter from Jordan. This country is amazing."

**Mr. Sanal Kumar, Chairman and MD of Classic Fashion Apparel**

ibly innovative technology, with its state-of-the-art identification systems based on iris recognition.

The technology uses the varied characteristics of the iris to deliver accurate, fast and secure biometric personal identification and security solutions for immigration officials, banks, and aid organisations, among others.

can go to a supermarket and have no need for a card or cash, as you simply look into a camera and pay the bill with your eyes," says CEO and founder Imad. K Malhas.

EyePay works hand-in-hand with EyeBank and it also designed to help the Unbanked and Refugees as it eradicates the need for food vouchers or stamps and,

along with EyeCloud, allows them access to aid money via ATMs, all whilst ensuring the aid is getting to the right people.

The sophisticated technology systems IrisGuard has developed have particular relevance for Jordan due to the large number of refugees it has taken in. With the UNHCR (the UN's refugee agency) using portable IrisGuard devices to scan all present and incoming refugees, the UNHCR can maintain secure and accurate databases of the refugees.

The technology restores some independence and dignity to refugees. It also helps the UNHCR and the Jordanian government reduce the risk of vulnerable women and children falling into the clutches of human traffickers who are eager to exploit the rapid influx of vulnerable people.

This work is what founder Malhas is most proud of: "His Majesty King Abdullah II [recently] talked about IrisGuard in a keynote speech ... for channelling assistance for refugees."

IrisGuard's Jordan base develops the software, with R&D and manufacturing in the UK. Their products are of the absolute best quality - so confident is IrisGuard Inc. in this that compensation for failure of technology is built into its contracts.

The company has excelled. As Malhas explains, "The technology we created is to find one person from millions of others with their eyes only. How do you apply that? It is a massive business, but it had never been done before."

"We have dreamed about this solution, we built it, with the hardware and everything; and we made a viable solution. The software is written in Jordan, while the hardware and firmware are made in the UK; but the teams are one. IrisGuard is the worldwide leader in iris recognition, meaning the UK is the global leader. The world looks to IrisGuard."

"In Jordan, we turn challenges into opportunities; we work with what we have and I'm very happy about that, because it is far richer, as humans, to be able to make a difference, than to be rich and to simply import everything you need."



## Seal of impeccable quality in every thread...

The spirit of Classic Fashion exudes from every fibre of premium garment that comes out of its production lines, every heartbeat of the team member getting due recognition, and every satisfied smile of the customer who purchases a product.



**CLASSIC FASHION**  
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# Free trade zones are strong catalysts for PPPs and FDI

Jordan is optimising its strategic position at the **crossroads of three continents** by developing free trade zones to attract international investors and fresh foreign alliances via PPPs

The Kingdom has embarked on an ambitious, public-private partnership (PPP) program to create a powerful catalyst for economic growth and employment.

Spearheading this exciting initiative is a new PPP unit operating under the supervision of the Ministry of Finance. Its work is more important than ever given the government can no longer afford to fund major infrastructure projects because of the cost of supporting so many refugees.

The unit aims to boost private sector participation in all sectors by enhancing an environment conducive to private investments, supported by a strong political will, apt regulatory framework, and transparency.

"This is a way for the Jordanian economy to move forward and to start a lot of capital-intensive projects without government interference," H.E. Finance Minister Omar Z. Malhas says. "The government will become an enabler rather than an investor."

To date, PPPs have been a resounding success, with the two most successful alliances in the transport and logistics sectors.

Developed with Airport International Group (AIG), Queen Alia International Airport (QAIA) is the modern gateway to Jordan. The award-winning aviation hub near Amman serves more than seven million passengers per year.

## Crest of a wave

At the tip of the Red Sea, Aqaba Container Terminal (ACT) is a shining example of what investors can expect as the marine gateway



**Sheldon Fink**  
Chairman & CEO, PBI Aqaba

continues to thrive under the management of APM Terminals – part of the global A.P. Møller-Mærsk Group.

In 2006, a 25-year Joint Development Agreement (JDA) was signed by Aqaba Development Corporation and ACT that has seen the latter invest close to \$300 million in a clear sign of

**“**APM Terminals is a long-term investor with confidence in Jordan that is always seeking new opportunities in the Kingdom.”

**Jeppe Nymann Jensen, CEO, Aqaba Container Terminal (ACT)**

its uncompromised faith in the opportunities and business environment in Jordan.

ACT's tenth anniversary year was successful given the regional difficulties as container throughput advanced 4.6% year-on-year to 791,860. Full exports hit a new record of 119,000, up 6.9% year-on-year and 53.7% above exports in 2013.

Those figures underline how

ACT has transformed dramatically over the past decade from a small feeder port to become a sophisticated mainliner port with a container capacity of well over 10,000 units.

Last year, ACT witnessed an upgrade in vessel size and the related services, expanding from a vessel capacity of 6,500 twenty-foot equivalent units (TEU) to more than 9,500 TEU, a reflection of the confidence of shipping lines in the company's operations and productivity.

Having achieved so much in such a relatively short period, ACT bosses could be forgiven for resting on their laurels, but as CEO Jeppe Nymann Jensen explains, he and his colleagues have plans to expand the modern facility even further.

"The main objective for ACT is to stay competitive and to run a first class operation in a safe working environment. We also have growth ambitions and are planning a further berth expansion of

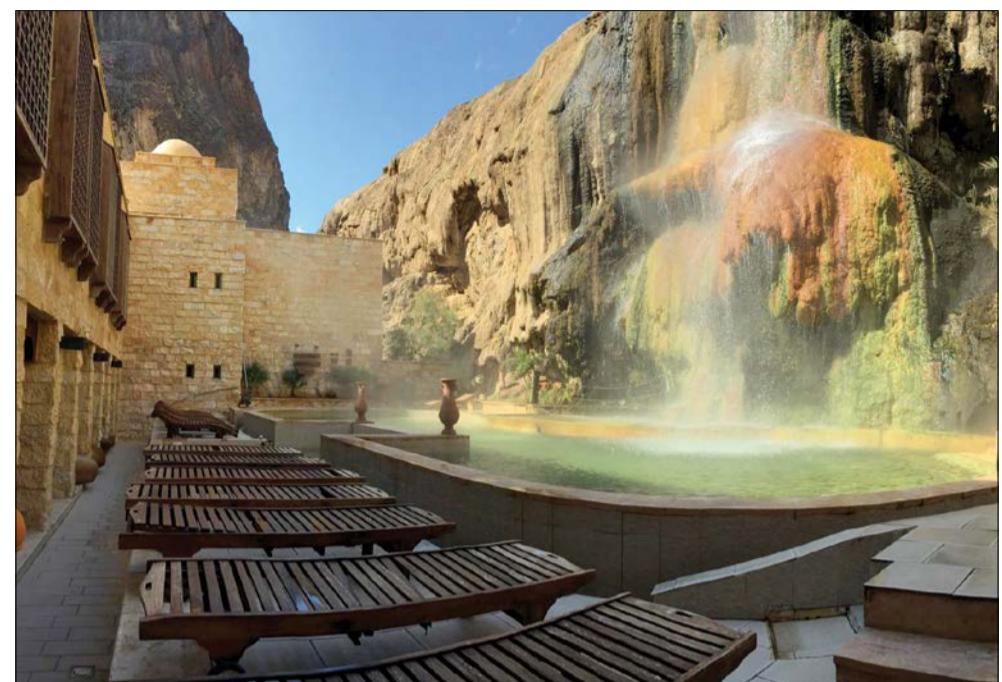
**“**APM Terminals is a long-term investor with confidence in Jordan that is always seeking new opportunities in the Kingdom.”

**Jeppe Nymann Jensen, CEO, Aqaba Container Terminal (ACT)**

200 metres of quayside, subject to market demand.

Besides the container port, APM Terminals is always seeking new opportunities where it makes sense from a business and value-add perspective."

APM Terminals is a long-term investor with confidence in Jordan, and besides ACT, the company also holds the majority share in Aqaba Logistics Village



The popular Ma'in Hot Springs are mineral springs and waterfalls which offer great health benefits.

(ALV), which just completed its second expansion phase, with an option to expand even further."

Sitting adjacent to ACT, ALV supports the national economy and forms an integral part of H.M. King Abdullah II's vision for a cohesive transport and logistics hub.

Easing processes and increasing productivity across the board in these freight and logistical hubs is NAFITH, a Jordanian company who have developed technology-driven services to make transportation infrastructure work better.

## Pro-business climate

Aqaba International Industrial Estate (AIIE) is a premium site and business development partner for firms involved in various activities.

Run by UK-registered PBI Aqaba Industrial Estate, clients include firms involved in man-

ufacturing, logistics, storage, renewable energy and energy efficiency initiatives, and associated services.

Sited next to King Hussein International Airport and just 15km from the modern port in the Aqaba Special Economic Zone (ASEZ), AIIE offers international investors a very favourable legal environment and investment incentives that allow companies to add value for domestic and foreign customers.

AIIE is one of many successful industrial estates around the Kingdom. Its increasing presence provides the space for other enterprises to succeed.

PBI develops and manages AIIE via a concession contract, with partners from the UK, US, and Turkey.

Established 12 years ago, total investment to date in the facility exceeds \$350 million – a figure

expected to triple by the end of the next decade.

Marketed land areas have surpassed 800,000sqm, with infrastructure in place there and for an additional 500,000sqm.

In addition, AIIE has an undeveloped land reserve of 400,000sqm and is negotiating for a further one million sqm.

"We don't want to own land here, we don't want to own buildings, we are business creators," explains PBI Aqaba Industrial Estate Chairman and CEO, Sheldon Fink.

"We only build as and when required, as we respond to customers' requirements."

"In most countries, the promotion looks better than the reality; in Jordan, the reality is much better than the promotion. Investors should come with an open mind, and see the potential for their businesses."

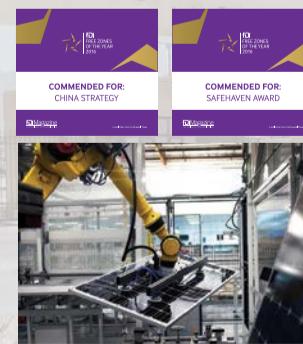
**PBI AQABA  
INDUSTRIAL  
ESTATE LLP**

**Aqaba International Industrial Estate (AIIE)  
is the premium location in the Hashemite Kingdom of Jordan  
for manufacturing, logistics and storage**

PBI Aqaba Industrial Estate LLP, for the past 12 years has developed and managed AIIE, under a Concession Contract.

AIIE advantages include:

- Aqaba is the safest and most secure base of operations in the Middle East.
- PBI Aqaba provides support and assistance to investors before and after commencement of operations.
- Jordan is party to a broad range of market access and free trade agreements.
- There are no duties on raw materials and equipment.
- There are no restrictions on foreign currency transactions.
- Foreigners may own a 100% interest in companies and in land at AIIE.
- 70% of employees may be foreign.
- ASEZ registered enterprises are subject only to a flat 5% income tax on net profits.
- There are no withholding taxes on dividends to foreign investors and low rates of personal income tax.
- Training support.



For more information

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# ASEZ - Golden gateway to Red Sea riches

With excellent infrastructure, **low taxes** and an enviable **lifestyle**, the showcase project is the region's investment hotspot

**S**trategically positioned at the crossroads of three continents, Aqaba Special Economic Zone (ASEZ) is a thriving, competitive and premium destination for international investors, entrepreneurs and industrialists seeking access to key markets in Jordan, the Middle East and the world.

Fusing lucrative business opportunities with a wonderful climate and a high-quality lifestyle, ASEZ is a world-class business hub and a magnet for billions of dollars of investment.

The area is also an outstanding leisure destination sitting on the sun-kissed shores of the Red Sea that acts as a powerful driving force for sustainable socioeconomic development.

Home to the Kingdom's only seaport and host to hundreds of enterprises operating in a diverse range of sectors, ASEZ is the regional benchmark for the creation of a liberalised, low-tax, duty-free, and multi-sector development arena.

Covering approximately 375 square kilometres, the investment hotspot stretches as far as the land borders of Saudi Arabia and Israel. In recent years, the value of committed investment is 20 billion which poured into ASEZ, providing new infrastructure and employment in spheres such as manufacturing, logistics, tourism and real estate, and education and health.

At the heart of the government's ambitious strategy to attract major foreign firms, ASEZ offers a simplified business environment boasting streamlined administrative systems to attract investment and maximise private sector participation in all aspects of the zone's operations and development.

In early 2017, senior ASEZ officials announced a fresh focus on three core aspects: Aqaba as a world-class tourism destination; Aqaba as a gateway for trade and investment; and Aqaba as a sustainable model for growth and development.

**Efficiency and experience**  
Spearheading this new approach is Aqaba Special Economic Zone Authority (ASEZA), the autonomous ASEZ management, regulation and development institution. The dynamic, transparent and highly-knowledgeable entity offers a range of integrated services and support to all businesses that operated within its boundaries.

Through the creation of a simple corporate tax climate designed to optimise profits and minimise the complexities of doing business, ASEZA ensures companies that are registered enjoy a lifetime low flat income tax of 5%.

**I am extremely proud to head a team that shares one vision: to turn ASEZ into a world-class business hub and leisure destination."**

**H.E. Mr. Nasser Shraideh, Chief Commissioner, ASEZA**

Launched at the turn of the millennium by His Majesty King Abdullah II, ASEZ is a core component of His Majesty's aim of building a better future for Jordan's 6.5 million citizens by widening the scope of participation in the knowledge economy. "[Instead] of being mere isolated islands on the periphery of progress, we want to become an oasis of technology that can offer the prospect of economies of scale for those who venture to invest in our young available talent," he



**H.E. Mr. Nasser Shraideh**  
Chief Commissioner  
ASEZA



**H.E. Eng. Ghassan Ghanem**  
CEO  
Aqaba Development Corporation

states.

ASEZA is certainly in safe hands, with Chief Commissioner H.E. Nasser Shraideh a highly-experienced and talented economist with an impeccable resume detailing nearly three decades at various ministries and public sector institutions, international NGOs, and United Nations agencies.

This has afforded him a substantive knowledge and professional experience in areas of international cooperation, economic and trade policy devel-

of world-class infrastructure and services to the Aqaba community," Commissioner Shraideh says.

"Being a liberalised, low tax, duty-free and multi-sector development zone, not only does ASEZ reflect His Majesty King Abdullah II's vision of modernisation, reform, and private sector-led growth, it reflects Jordan's assertive reform strategy to provide investors, from all over the world, with an attractive business environment."

## Focusing on the future

The chief commissioner continues: "Today, Aqaba remains one of the most important cities of the region, ensuring its role as a distinctive destination for living, business, and tourism. ASEZ functions as your one-stop investment and information centre.

"I am extremely proud to head a team that shares one vision: to turn ASEZ into a world-class Red Sea business hub and leisure destination enhancing the quality of life and prosperity of the community through sustainable development and a driving force for the economic growth of Jordan."

The Kingdom is very well connected and well respected globally, with links to

major international markets, trade agreements with the US, Canada, Europe and elsewhere.

## Brand to boast about

The "Made in Jordan" label is an increasingly important brand that provides ample access to local, regional and global markets, with the quality of such goods acting as an ambassador for a country that is sometimes wrongly tarnished by its proximity to conflict areas.

"Jordan is incredibly safe and secure," Commissioner Shraideh adds. "Jordan is a remarkable model. Jordanians are survivors. Jordanians turn challenges into opportunities. If they can not only survive everything that has been happening globally and regionally, but also thrive, imagine what they can do with a friendlier environment."

"If you want to establish partnerships that are solid and sustainable, then Jordan is your answer. Jordan has the political will to move forward."

With nearly 200,000 people living in or around Aqaba, ASEZ has acted as a powerful catalyst for impressive socioeconomic development that includes new housing, highways, airports, port terminals, hotels, leisure centres and shopping malls.

As a multi-modal transportation hub, ASEZ relies heavily on the Port of Aqaba. The modern marine facility is a vital cog in Jordan's economic engine.

The port handles more than three quarters of its exports and two thirds of its imports, with those figures growing yearly.

In the near future, ASEZ will be served by 15 shipping terminals and 34 berths, including an award-winning container terminal with a handling capacity of 1.3 million twenty-foot equivalent units (TEU) per year.

## Streamlining trade flows

Other state-of-the-art terminals include those specialised in the handling of lucrative energy

products like Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), and bulk oil, as well as valuable commodities such as phosphate fertilisers.

Created in 2004 to unlock ASEZ's rich potential by accelerating its economic growth and development, Aqaba Development Corporation (ADC) owns Aqaba's seaport, airport and strategic parcels of land, as well as the development and management rights for those assets, important infrastructure and utilities.

ADC is mandated to develop ASEZ through infrastructure development and the creation of business enablers for ASEZ. This is achieved through maximising the attraction of private sector developers and operators committed to integrated development that supports Aqaba's position as a leading business and leisure hub on the Red Sea.

A private shareholding company governed by a board of directors, ADC is wholly-owned by the government and ASEZA, each of whom hold a 50% stake.

Private sector participation in the development and management of ASEZ's strategic assets is accelerated by ADC, either on a stand-alone basis, or via public-private partnerships (PPPs) or other ways that optimally leverage private sector prowess.

According to H.E. Eng. Ghassan Ghanem, CEO of ADC, his organisation was created to avoid any potential conflict of interest between development and regulatory enforcement.

## Sturdy growth platform

He says ADC was tasked with developing ASEZ in three main pillars: seaport, airport and the strategic land through tourism, resorts, educational, health, real estate projects, industry and logistics.

"It started creating and owning services companies, like Aqaba Airports Company, the Aqaba International Schools



**H.E. Imad Fakhoury**  
Minister of Planning &  
International Cooperation

Company and many companies for all sorts of services.

"We also put in place the main principles of development: PPPs, business units, and simultaneous development of social and economic affairs.

"We are looking to increase business through the creation of new activities. We have good assets and are working on increasing the port's competitiveness.

"At the same time, we are working on a multi-modal transport system. We are trying to create a stream of development from south to north. Aqaba

**“**Aqaba should be an engine of development for the whole country. We have good assets and are working on increasing Aqaba Port's competitiveness."

**H.E. Eng. Ghassan Ghanem, CEO, Aqaba Development Corporation**

should be an engine of development for the whole country, not only for Aqaba.

"We are also working for Aqaba to be not only a tourism, logistics and industrial hub, but medical treatment, sports, adventure, and even film-making.

"Another very interesting niche of market is the retired people. The weather, the health services and the cost of living make Aqaba a very convenient destination for retired people. Aqaba also allows land ownership to non-Jordanians."

H.E. Imad N. Fakhouri, Jordan's Minister of Planning and International Cooperation, and one of the key architects of



1. A corner of the Aqaba heritage museum demonstrating some of the heritages tools used in Aqaba  
2. Tala Bay - Aqaba  
3. The Sheikh Zayed mosque in Aqaba  
4. The Royal Yacht Club



marine life that draw around 600,000 tourists a year to its vast array of luxury hotels.

The city's modern airport has the capacity to handle up to 2 million passengers per year and is well-served by leading international airlines offering regular direct connections to major cities on several continents.

According to tourism chiefs, more than \$15 billion of investment has been attracted into real estate and tourism-related developments in recent years, a figure that has increased the city's accommodation capacity to around 9,000 beds from just 500 beds 15 years ago.

Among the luxury hotel and resort operators to open their doors are top international names like InterContinental and Mövenpick.

Guests can take delight from the beaches, water parks, and golf courses; and enjoying diving and snorkelling in the pristine Red Sea dive sites or parasailing above it all.

Among the showcase projects is Ayla Oasis, a captivating realm of glamorous architecture, world-class amenities, and stunning white-sand beaches.

The all-encompassing community stretches across 17 kilometres of newly-created waterfront, stemming from 235 metres of seafront.

When finished, the stunning environmentally-friendly development will cover 4.3 million square metres of residential and commercial space.

The showcase project will also feature a challenging 18-hole golf course designed by former world champion Greg Norman.

Other leading developments include Tala Bay, Marsa Zayed, and sister project Saraya Aqaba.

Just a short drive from Aqaba, the Tala Bay is a popular holiday haven thanks to its combination of golden sands, luxury hotels and villas, warm waters and

range of tourism services.

Designed for families, the flagship project of Jordan Projects for Tourism Development (JPTD) covers 2.7 million square metres and offers a wide mix of entertainment attractions and leisure facilities.

Marsa Zayed will cover 3.2 million square metres, including two kilometres of prime waterfront; a setting that enjoys remarkable visibility due to the advantageous gradual elevation from the waterfront.

Marsa Zayed is a mixed-use waterfront project, set to feature residential, touristic, recreational, commercial and retail components, plus marine facilities and a cruise ship terminal.

Meanwhile, Saraya Aqaba is a mixed-use tourism and leisure destination spread over 634,000 square metres and built around a man-made lagoon, adding about 1.5 kilometres of beachfront to Aqaba.

Saraya Aqaba complements Jordan's fantastic tourism offerings, comprising partnerships with Marriott International and Jumeirah Hotels & Resorts to operate four 5-star luxury hotels for business and leisure guests.

With such an outstanding portfolio of industrial, commercial, investment and leisure activities, ASEZ and Aqaba are proudly flying the flag for Jordan and putting the Kingdom on the global investment map.

## Strategic Investment Opportunities

### Services:

- Olympic Sports City
- Medical Complex
- Academies
- Schools Complex
- Convention Center

### Resort:

- Transport and Logistics:
  - Ma'an Dry Port
  - Aqaba Railway
  - Aqaba – Ma'an Oil Pipeline

### Real Estate:

- Gweirah Development Zones (Logistics, Industries, Eco Tourism)
- 5 star Hotels and Resorts
- Al Matal (High Lake)

## Incentives

- 5% Flat Income/Corporate Tax (Net Profit)
- 0% Sales Tax (7% on 15 items only)
- 0% Social Services Tax
- 0% on Dividends
- 0% on Duty Imports
- Streamlines Labor & Migration Procedure – One-Stop-Shop
- 100% Foreign Ownership
- 70% Foreign Labor Allowance (can be further relaxed)
- No Foreign Equity Restrictions on Investments
- No Foreign Currency Restrictions
- Availability of Land for Lease or Sale
- Absolute Guarantee of Rights of Ownership
- Public Private Partnership

### Aqaba Special Economic Zone

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AQABA Development Corporation



العقبة  
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# Medical and tourism sectors in great shape

Jordan's wealth of human resources is reflected in the number of **knowledge-based** enterprises that are flourishing

In the absence of major reserves of fossil fuels such as oil and gas, the government is determined to develop the Kingdom's rich human resources in areas like healthcare, education, and tourism.

The Kingdom's health sector is the best in the region, with the expanding pharmaceutical industry led by HIKMA. The London-listed firm is a developer, manufacturer and marketer of branded and non-branded generic pharmaceuticals.

The other top player is Dar Al Dawa, a firm that has grown through a customer-centred approach to developing, producing, marketing and commercialising affordable medicines and wellness consumer products in emerging markets.

The fully integrated company employs almost 1,000 people serving patients in more than 40 countries. Over the past four decades, the innovative



**Mr. Khaled A. AlKurdi**  
Managing Director  
Dar Al Dawa

firm has signed collaboration and licencing agreements with global pharmaceutical leaders like Novartis, Orion, Pfizer, and Chanelle Medical.

Managing director Khaled A. AlKurdi is a serial entrepreneur,

a mentor and consultant for more than 25 years and has been a board member with many Jordanian companies.

"We are very bullish about the future and are definitely not holding back," Mr. AlKurdi says. "We are reworking everything here at Dar Al Dawa to be able to reach our goals."

"In a strange way, with all the mess that is happening in the region, we can easily ensure that it does not affect us, and we are working hard on that. We are trying our best to find new markets and we are succeeding."

"We have an abundance of opportunities. The world is our playground. We are expanding our presence in Europe [via Irish partner Chanelle Medical], but there are far more lucrative markets for us that are less of a problem to enter."

It is not only the pharmaceutical segment of the healthcare sector that is performing well, with diagnostic and medical laboratories also prospering.

MedLabs Laboratories – the fastest growing and most advanced network of private medical laboratories in the Levant region – is defining new ways of interacting with patients,



MedLabs - Leading Private Medical Laboratories in the Levant.

physicians and the community, to meet new needs in diagnostic and preventive medicine.

With a multi-accredited Regional Reference Laboratory in Amman, offering over 800 tests to labs across the MENA region, plus 50 branches across the Kingdom, and in other countries, MedLabs employs nearly 400 medical technologists and management staff.

They include a team of 20 MD and PhD consultants who oversee all the sub-specialty laboratory departments such as biochemistry, haematology, immunology, molecular biology, genetics, metabolic disorders and surgical pathology.

MedLabs ensures a personalised service including results delivered online or via MedLabs mobile application, free house call service, and loyalty program that promotes preventive medicine offers free check-ups.

"We are a reference lab with very sophisticated tests and quite a large volume of work from the region," comments MedLabs Consultancy Group CEO & Chairman, Dr. Hassib Sahyoun.

"These tests used to go to the US or to Europe, but as we have achieved a lot of key accreditations, we now handle them, with better turnaround times, but the same high quality."

Given the prevalence of such respected medical enterprises, it is little surprise the Kingdom is also building a fine reputation for medical tourism. Visitors seeking quality healthcare are among the steady stream of travellers.

Carved over centuries, Jordan's lands were once home to some of the world's earliest civilisations, with relics and treasures dating back thousands of years drawing thousands of tourists a year.

Attractions include the UNES-

**"We have an abundance of opportunities. The world is our playground. We are expanding our presence in Europe, but there are far more lucrative markets for us that are less of a problem to enter."**

**Mr. Khaled A. AlKurdi, Managing Director, Dar Al Dawa**

CO World Heritage Site of Petra, the Dead Sea, Wadi Rum, Ma'in Natural Spa, and Jerash.

These incredible natural assets are complemented by historic and cultural delights, fashionable restaurants and hotels offering a modern alternative to traditional boutiques and markets.

Jordan is a premium lifestyle destination and many luxury

hotel brands have already established successful operations, with several more having unveiled plans to create a presence.

Hospitality colossus IHG has several hotels in the Kingdom, with other famous names including Mövenpick, Kempinski, Rotana, and W Hotel.

"Tourism is a very human resource intensive sector as it creates jobs, and every dinar spent, remains in the area," says Ms. Lina Mazhar Annab, Minis-

ter of Tourism & Antiquities.

With such impressive competitive advantages and unequivocal support from the government and public agencies, now is the ideal time for investors from the UK and elsewhere to share in Jordan's success and play a mutually beneficial role in the Kingdom's socioeconomic development and regional stability and prosperity.

This report was produced by Panorama Group and can also be read online at: [www.panoramagroup.com](http://www.panoramagroup.com)

## InterContinental Hotels Group (Jordan Cluster Hotels)



**World Luxury Hotels & Spa Awards Dead Sea & Aqaba**

**InterContinental Aqaba Resort**  
255 luxury guest rooms and suites  
6 restaurants and lounges



**Highest speed internet in Amman**

**Crowne Plaza Amman**  
279 contemporary guest rooms and suites  
5 restaurants and lounges



**Planning for the future with IHG Dead Sea Hotels Training Academy**

**Crowne Plaza Jordan Dead Sea Resort & Spa**  
420 spacious guest rooms and suites  
8 restaurants and lounges



**Excellent environmental practices and CSR initiatives**

**Holiday Inn Resort Dead Sea**  
202 stylish guest rooms and suites  
6 restaurants and lounges