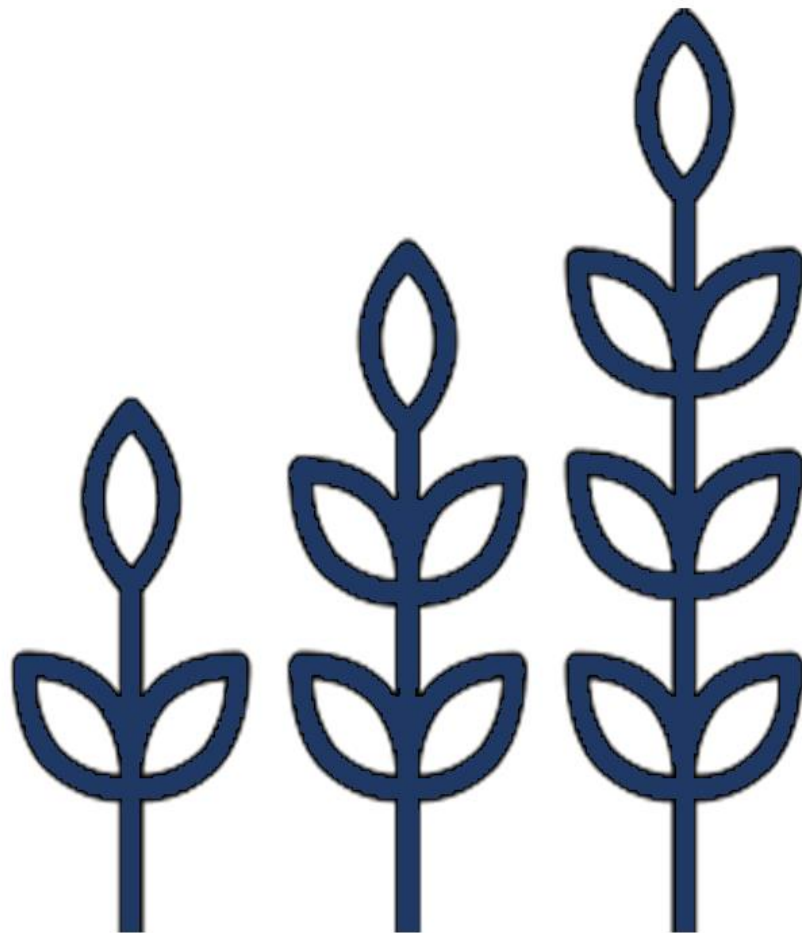


Tijara Coalition's

Trade & Investment Strategy:

*a plan for growing exports and enhancing  
investments between Jordan and the US*

2018-2022



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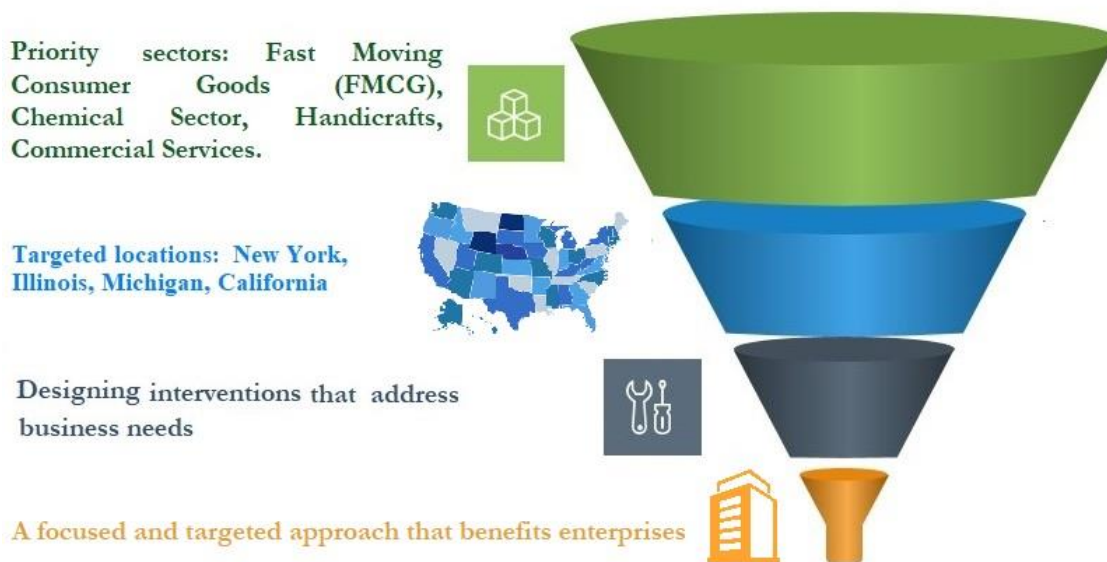
## Executive Summary

The Tijara Coalition's Trade & Investment Strategy adopts a focused and targeted approach, to enhance economic gains made possible as a result of the preferential trade and strong investment relations between Jordan and the US.

This is accomplished through a planning process that starts with identifying sectors /products with best potentials for growth and capturing market share, as well as attraction of US investments. Taking into consideration the selected sectors/products it then considers where in the US should the Tijara Coalition efforts be directed so as to achieve the needed results. Four US states are selected for economic and cultural reason, within these states work will further be concentrated on specific cities.

Informed by the sectors and locations and in view of the capabilities of the Jordanian industrial base, international practice and available resources, the Strategy puts into place goal driven interventions in the areas of trade, investment as well as policy and advocacy.

### Tijara Coalition Strategy Approach



The Strategy then elaborates on the implementation and management an *ad hoc* institutional framework comprised of the Tijara Coalition members. Supported by the FTA Unit in its capacity as Secretariat to the Coalition. A 5-year implementation plan sets the path for realization of the Strategy objectives and its growth trajectory. Annual work plans will then be developed with clear tasks, timelines and responsibilities to ensure the accomplishment of activities during the year.

## Introduction

The Tijara Coalition's Trade & Investment Strategy: *a plan for growing exports and enhancing investments between Jordan and the US* (2018-2022) is a collaborative national strategy driven by stakeholders in the private and public sectors, which seeks to strengthen business ties with the US, one of Jordan's main trading partner, so as to create growth and jobs in Jordan and US.

The Strategy builds on the Jordan -United States Free Trade Agreement (2000), the Jordan - United States of America Bilateral Investment Treaty (1997), and it is influenced by the landscape in which Jordanian enterprises operate. Over the last five years, the global economy has been absorbing the impact of the largest financial crisis since the Great Depression. The rise of the digital economic and new technologies is reshaping the way businesses operate and work together. The regional unrest, namely the conflict in Syria and the Iraq crises, the war in Yemen and continued instability in Libya have negatively affected Jordan's traditional export market. This together with an unprecedented refugee influx has disrupted trade routes, and lowered investments.

The Strategy adopts a **resources sharing approach among the participating organizations** to capably meet business demands, taking into account the economic realities. This approach is cemented in the **Tijara Coalition's Working Principles which were endorsed on 23/7/2017**, and is driven by the need to work together in partnership so as to have a focused and sustained methodology that puts in place market-driven interventions in selected number of priority sectors and cross-cutting areas, in order to achieve real and lasting results.

Accordingly, the Strategy is made up of three (3) chapters and an implementation plan:

**Chapter I** provides a review of the bilateral trade and economic growth between the two partners. It then identifies priority sectors best suited to diversify and expand exports to the US, as well as means to enhance economic integration through growth of investments and an increase of value chains and imports.

**Chapter II** elaborates on the work methodology that is divided into three pillars: trade (export and import); investment (inflow and outflow), and policy and advocacy (i.e. cross cutting issues). Within each pillar, specific interventions are listed to be established and developed. **These interventions should support the achievement of an average 5 per cent yearly increase in overall trade and investment figures.**

**Thereby setting an overall target of 25 percent increase over the duration of the Strategy.**

**Chapter III** deals with the mechanism put into place to operationalize the Strategy and realize its objectives, through the Tijara Coalition and its associated committees and working groups supported by the FTA Unit housed at AmCham-Jordan in its capacity as Secretariat to the Coalition.

The **Implementation Plan** is a high level 5-year matrix that translates the designed pillars and interventions into time bound actions with clear responsible parties in order to accomplish the set objectives. To ensure proper implementation, for each independent year of the Strategy a separate annual work plan will be devised and agreed on by the Tijara Coalition members.

The Tijara Coalition Strategy was developed under the patronage of the Ministry of Industry, Investment, Trade and Supply, supported by the Jordan Investment Commission, alongside key implementation partners the Chambers of Industry, and Commerce, and the US Embassy in Amman and with support from the USAID Jordan Competitiveness Program.

It remains to say that the Strategy is aligned with national development plans including the Jordan 2025, Jordan Economic Growth Plan 2018-2022, Investment Promotion Strategy and Implementation Plan 2016-2018; REACH2025: Jordan's Digital Economy Action Plan; the National Export Strategy 2014-2019, and the Industrial Policy 2017-2021.

## Chapter I: A Review of Jordan -US Economic Relations

### Legal Framework

The United States of America has been a World Trade Organization (WTO) member since 1 January 1995 and a member of GATT since 1 January 1948. Jordan became a WTO member on 11 April 2000. On October 24<sup>th</sup> Jordan and the US signed a **Free Trade Agreement (USJFTA)**. The USJFTA obliged each party to eliminate within 10 years virtually all tariffs and barriers to trade. The USJFTA covers both trade in goods and services and includes extensive provisions such as enforcement measures for the protection of intellectual property rights, environment, labor standards and on electronic commerce. The USJFTA does not cover investment issues.

Jordan and the US have a separate **Bilateral Investment Treaty (USJBIT)**. This agreement was signed on 2 July 1997; it came into force on 12 June 2003. The USJBIT contains the basic elements of investment protection. Investment by either party's nationals in the territory of the other party receives the better of national treatment or most-favored-nation (MFN) treatment both while they are being established and thereafter, subject to certain specified exceptions. Specified performance requirements may not be imposed upon or enforced against investments. Expropriation is permitted only in accordance with customary international law standards. Parties are obligated to permit the transfer, in a freely usable currency of all funds related to an investment, subject to exceptions for specified purposes. Investment disputes with the host government may be brought before a binding international arbitration as an alternative to domestic courts.

In 2012, the United States and Jordan agreed to **Statements of Principles for International Investment and for Information and Communication Technology Services, and a Trade and Investment Partnership Bilateral Action Plan**, each of which is designed to increase transparency, openness, and governmental and private sector cooperation. The two parties also began discussions on a Customs Administration and Trade Facilitation Agreement. Moreover, Jordan underwent an investment policy review by the Organization for Economic Cooperation and Development (OECD) and in November 2013 subscribed to the **OECD Declaration on International Investment and Multinational Enterprises** (US Department of State, 2015).

## Economic Context

Jordan has a small resource-poor but labor-abundant economy with a GDP of USD 41.7 billion (estimate 2017, IMF World Economic Outlook), despite that the Jordanian economy has produced regionally successful companies able to compete at the global level. The US has the world's largest national economy. It makes up roughly 17 to 22 percent of the world's gross domestic product (GDP). The high level and quality of the bilateral economic relations reflects the strategic partnership between the two countries, and the important role Jordan has, as a pillar of peace; stability and democratic reform in the region.

Jordan's economic development policy has centered on investment and export lead growth. To enhance exports, Jordan established nine (9) preferential trade agreements: Greater Arab Free Trade Agreement (GAFTA) (1998); Jordan-US Free Trade Area Agreement (2001); Jordan-Singapore Free Trade Agreement (2005); and Jordan Canada Free Trade Agreement (2012). As well as the Jordan-EU Association Agreement (2002) and its associated network of agreements of Jordan-EFTA Free Trade Agreement (2002); the Agadir Agreement (2006) and the Jordan-Turkey Free Trade Agreement (2011) for the creation of the EUROMED area.

To bolster FDI flows, the Government of Jordan set up free zones; industrial estates and development zones for manufacturing and specific services sectors. As well as declaring the city of Aqaba the country's only sea port as a special economic zone. In addition to providing monetary investment incentives at the sectoral level. Supported by the enactment of a series of investment legislations, culminating with the Investment Law No. 30 of 2014 which unified the investment and export promotion functions under one agency: Jordan Investment Commission (JIC). This law also merged the administrative governance of the country's special economic zones (all now development zones) and its free zones, excluding the Aqaba Special Economic Zone that has a standalone governing authority. However, problems linked to bureaucracy and corruption remain serious obstacles to domestic and foreign investments.

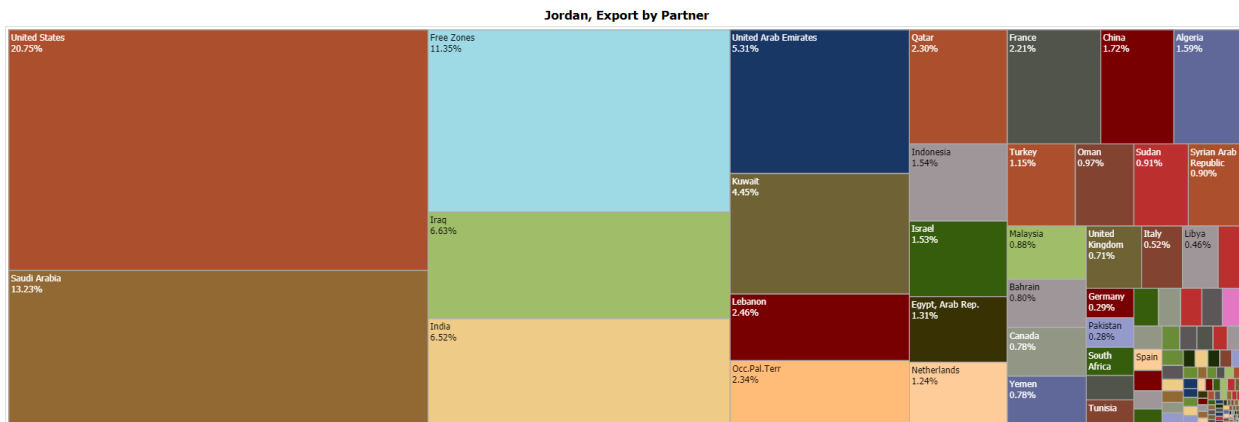
## Jordan – US Trade

### *Goods*

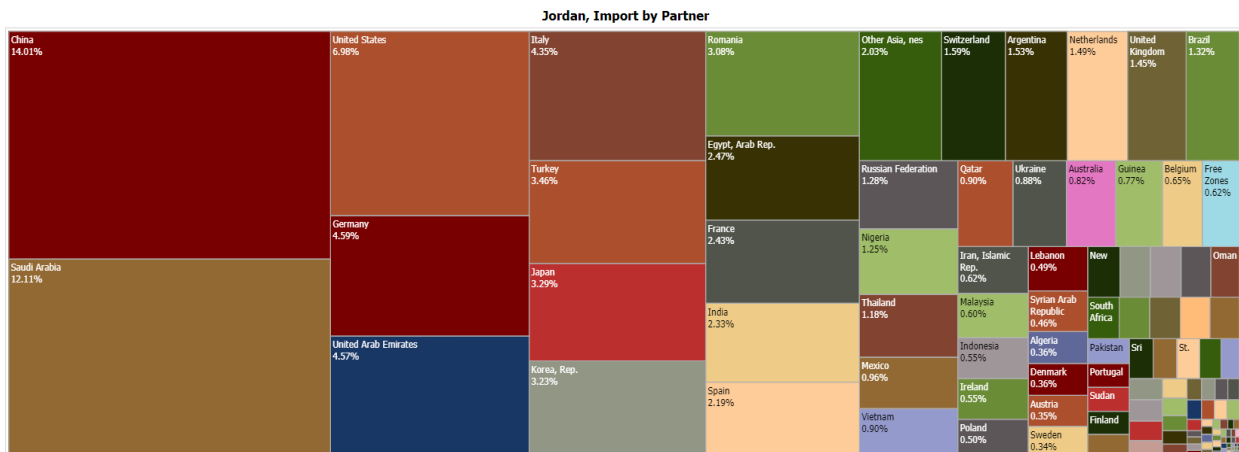


The USJFTA came into force in 2000, reaching full tariff dismantlement on 1 January 2010 - prior to that the Qualifying Industrial Zones (QIZ) regime established by US Congress in 1996, allowed Jordanian products to enter the United States duty-free if manufactured in Israel, Jordan, Egypt, or the West Bank and Gaza (USTR, 2017). In addition, Jordan also benefits from the US General System of Preferences (GSP). These measures have contributed to the significant increase in Jordanian exports to the US, reaching USD1.205.7 billion in 2015, up from the USD 234.7 million registered in 2001. Total trade between Jordan and the U.S. has reached US\$ 2.9 billion in 2016 with an average annual growth rate of 12% for the period (1997-2016). Today, the US is the number one destination for Jordanian goods export - at over 20 per cent of all Jordanian exports, and the third partner for imports. The Figures (1) below provide a visualization of Jordan's trade partners (WITS, 2017).

**Figures (1): Jordan's Exports and Imports by Partner**



Source: WITS World Bank <http://wits.worldbank.org>



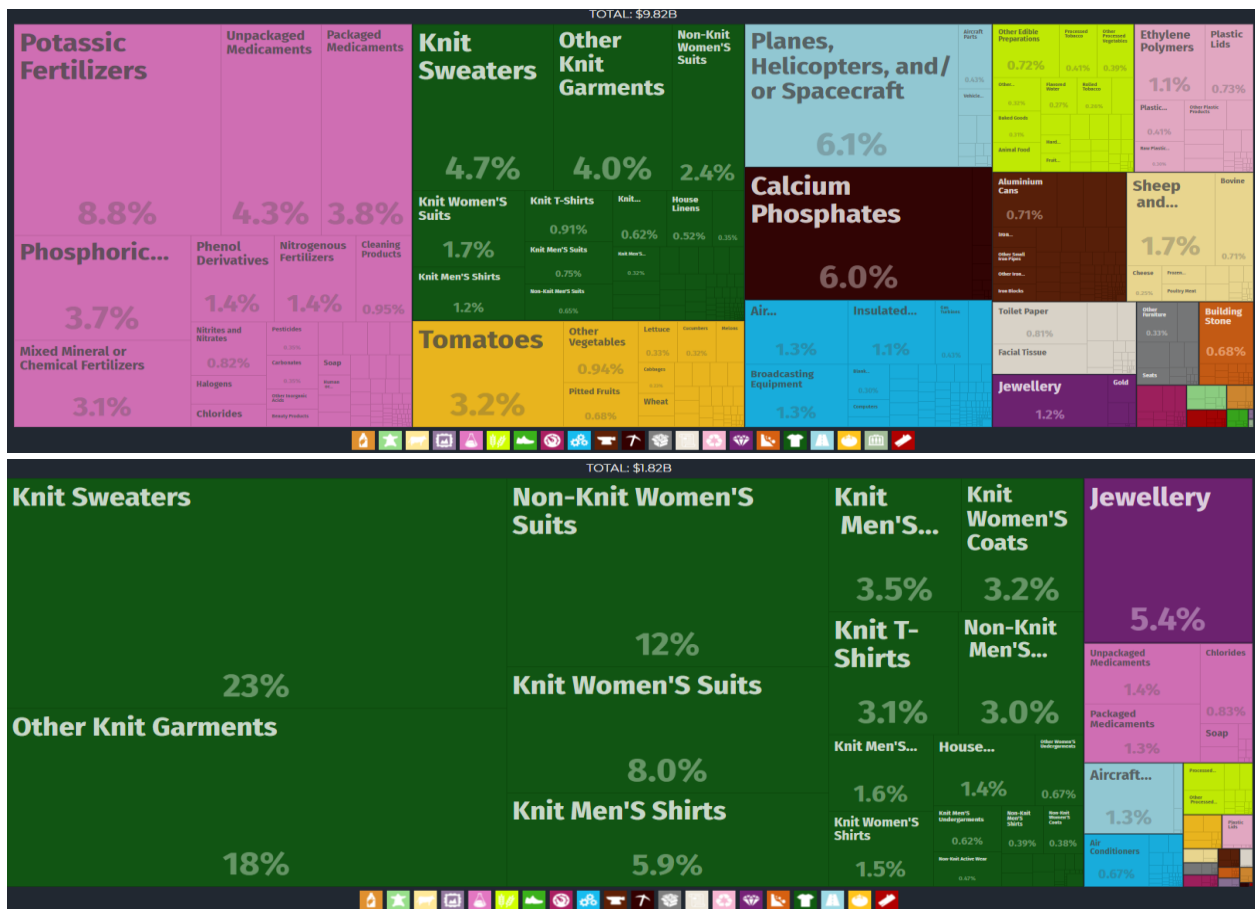
Source: WITS World Bank <http://wits.worldbank.org>

The analysis of the evolution of bilateral trade in goods demonstrated a high degree of concentration on garments; trade that was prompted by the QIZ, which by providing a more flexible Rules of Origin (ROOs) contributed to a dramatic increase in exports



through the deviation on a permanent basis from the relatively strict ‘yarn forward’ rules on textiles and garments and adopting a local value-added system enabling firms to use fabrics from third countries and still gain preferential access to the US while having a limited economic and social impacts (Azmeah, 2015). Nonetheless, Jordan’s textiles and clothing represent 80% of exports to the US, in the world context Jordan ranks no. 42 for Textiles and clothing exports which represents (0.23%) share valued at \$1,493,062 K (WITS, 2017). Non-garment exports to the US, even though they have increased, still show limited dynamism and also high concentration in a few products. Knowledge of the industrial capabilities also indicates that part of the exports are re-exports. The Figures (2) below provide a visualization of Jordan’s exports at the product level to the world and to the US (OEC, 2015).

**Figures (2): Jordan’s Products Exports to the World and to the US**



Source: [www.atlas.media.mit.edu](http://www.atlas.media.mit.edu)

Much of Jordan’s exports have limited value added with manufacturing, mining and quarrying representing around 80% of all exports (Central Bank of Jordan figures,2016). Jordan’s top exports are Potassic Fertilizers (\$860M), Planes, Helicopters, and/or

Spacecraft (\$602M), Calcium Phosphates (\$592M), Knit Sweaters (\$462M) and Unpackaged Medicaments (\$418M) (1992 revision of the HS code).

Figure (3):

### Product Exports by Jordan to United States 2016

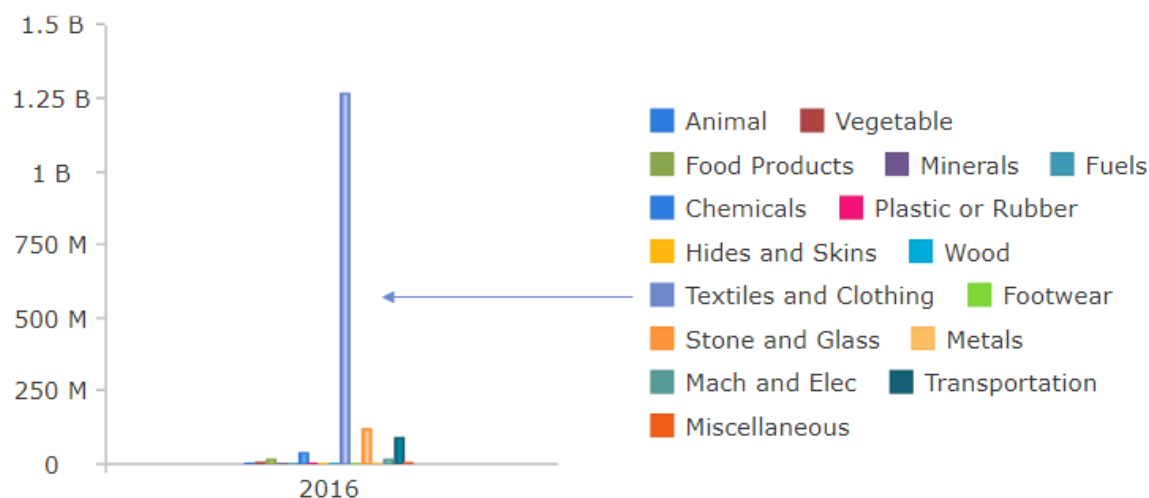


Table (1): Jordan Exports to the US in 2016

Product Group	Export (US\$ Thousand)	Export Product Share (%)	Revealed comparative advantage	World Growth (%)	Country Growth (%)
All Products	1558302.46	100	1	-1.42	2.16
Capital goods	19292.62	1.24	0.06	-1.12	23.57
Consumer goods	1448047.86	92.92	2.47	-0.82	1.62
Intermediate goods	86474.58	5.55	0.03	-1.15	-39.48
Raw materials	2589.02	0.17	0.01	-6.38	2.49
Animal	1725.3	0.11	0.01	-2.32	-8.21
Chemicals	40513.54	2.6	0.35	0.3	3.66
Food Products	12511.26	0.8	0.36	1.83	9.14
Footwear	4.93	0	0	-3.36	-5.17
Fuels	18.41	0	0		
Hides and Skins	10.11	0	0	-4.24	-20.13
Mach and Elec	17946.69	1.15	0.06	-0.91	27.93
Metals	1718.96	0.11	0.02	-4.87	17.87
Minerals	142.64	0.01	0.01	-8.8	145.61
Miscellaneous	3560.5	0.23	0.34	0.46	19.92
Plastic or Rubber	1573.78	0.1	0.06	-0.99	-8.33
Stone and Glass	119721.29	7.68	1.98	4.16	10.76

Textiles and Clothing	1267331.9	81.33	16.09	-2.57	0.22
Transportation	87014.26	5.58	0	-0.81	-4.68
Vegetable	4370.86	0.28	0.12	1.48	7.37
Wood	138.02	0.01	0.01	0.65	-53.69

<https://wits.worldbank.org/>

*Annex I to this Strategy provides an in-depth analysis of US Commodity Trade with Jordan.*

### *US Exports of Goods to Jordan*

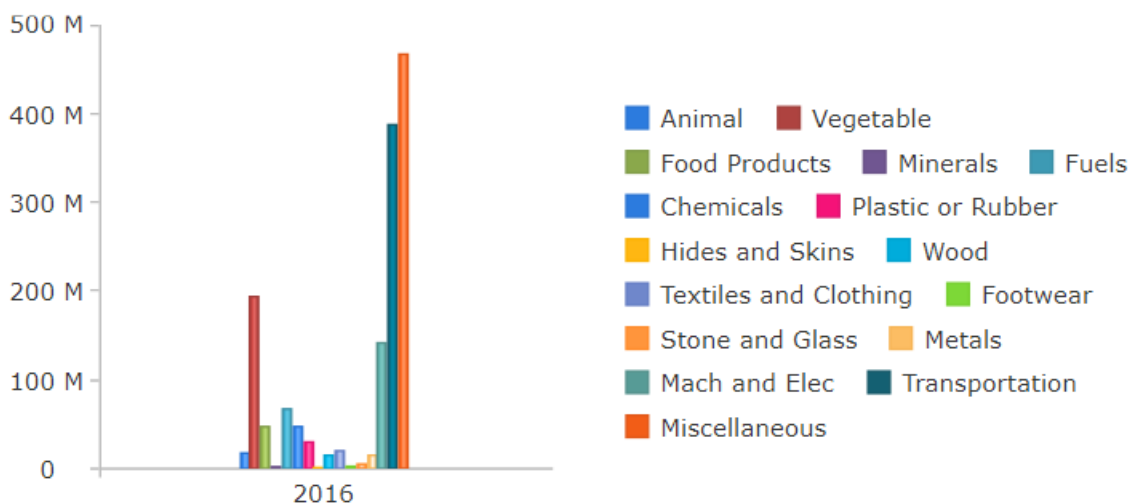
US goods and services trade with Jordan totaled an estimated \$4.3 billion in 2016. Exports were \$2.2 billion; imports were \$2.1 billion. The US goods and services trade surplus with Jordan was \$8 million in 2016.

Jordan is currently the US's 67th largest goods trading partner with \$3.0 billion in total (two way) goods trade during 2016. Goods exports totaled \$1.5 billion; goods imports totaled \$1.6 billion. The US goods trade deficit with Jordan was \$96 million in 2016.

Trade in services with Jordan (exports and imports) totaled an estimated \$1.3 billion in 2016. Services exports were \$698 million; services imports were \$594 million. The U.S. services trade surplus with Jordan was \$104 million in 2016 (USTR, 2018).

**Figure (4):**

**Product Exports by United States to Jordan 2016**



The top export categories (2-digit HS) in 2016 were: vehicles (\$351 million), aircraft (\$328 million), cereals (rice, wheat) (\$123 million), machinery (\$77 million), and mineral fuels (\$68 million). U.S. total exports of agricultural products to Jordan totaled \$256 million in 2016. Leading domestic export categories include: rice (\$73 million), tree nuts (\$50 million), wheat (\$38 million), prepared food (\$11 million), and corn (\$11 million).

**Table (2): US Exports to Jordan in 2016**

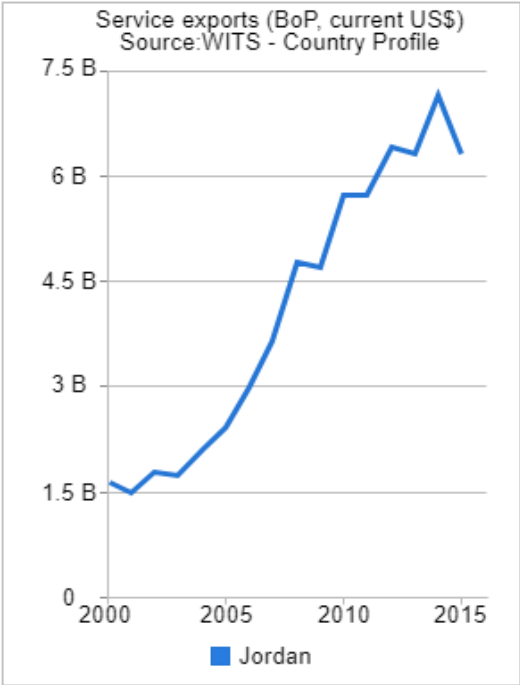
<b>Product Group</b>	<b>Export (US\$ Thousand)</b>	<b>Export Product Share (%)</b>	<b>Revealed comparative advantage</b>	<b>World Growth (%)</b>	<b>Country Growth (%)</b>
<b>All Products</b>	1458918.43	100	1	-3.15	3.17
<b>Capital goods</b>	248574.93	17.04	1.57	-2.73	-6.13
<b>Consumer goods</b>	615195.43	42.17	0.99	-0.79	7.02
<b>Intermediate goods</b>	115147.9	7.89	0.71	-6.39	15.91
<b>Raw materials</b>	127788.8	8.76	0.54	-3.44	10.58
<b>Animal</b>	16614.59	1.14	0.3	-7.24	-18.48
<b>Chemicals</b>	46797.58	3.21	1.09	1.05	7
<b>Food Products</b>	47821.27	3.28	0.49	2.83	3.15
<b>Footwear</b>	2617.53	0.18	0.63	14.61	25.22
<b>Fuels</b>	68117.8	4.67	0.41	-12.46	197.17
<b>Hides and Skins</b>	970.72	0.07	0.08	1.38	6.49
<b>Mach and Elec</b>	141282.02	9.68	1.37	-3.02	-6.64
<b>Metals</b>	13962.74	0.96	0.24	-5.35	-5.74
<b>Minerals</b>	1890.89	0.13	0.54	-2.08	-24.89
<b>Miscellaneous</b>	467396.06	32.04	2.72	-3.19	-8.43
<b>Plastic or Rubber</b>	30244.45	2.07	0.43	-5.43	2.14
<b>Stone and Glass</b>	3743.99	0.26	0.06	-17.59	-41.58
<b>Textiles and Clothing</b>	19311.11	1.32	0.19	1.99	-6.48
<b>Transportation</b>	388117.29	26.6	2.58	6.1	12.46
<b>Vegetable</b>	193999.2	13.3	1.33	7.16	2.5
<b>Wood</b>	16031.18	1.1	0.56	-3.06	-4.93

<https://wits.worldbank.org/>

**Services**

The Jordanian economy is dominated by services that are responsible for 67 per cent of Jordan’s GDP and employs over 75% of the workforce (DOS, 2008). Trade balance of services shows a surplus, indicating that Jordan is successful in services. One third of the services produced in Jordan are meant for export. They include medical services, higher education, tourism, transport, banking, insurance, computer programming, etc., all of which are distinguished activities able to compete in the world market (Fanek, 2016). Figure (3) on the right clearly shows the continued growth in the services section since 2000 when Jordan first jointed the WTO. Under the GATS, Jordan made substantial accession commitments covering some 110 services subsectors.

**Figure (3)**



In the USJFTA, Jordan provided further liberalization in a number of services sectors, with the view to encourage greater US investment in Jordan, While the US agreed to provide eligible Jordanian nationals treaty-trader (E-1) and treaty-investor (E-2) visas, subject to applicable provisions of U.S. immigration and related laws. The services sectors in which both countries have made commitments include: Business (including professional and computer) services; Communication services; Construction and engineering services; Distribution services; Educational services; Environmental services; Financial (insurance and banking) services; Health services; Tourism and Travel services; Recreational, cultural and sporting services; Transport services; and Other services not included elsewhere.

Table (1) below provides data on Jordan’s global services exports/imports. Beyond that it is difficult to report accurate data since collection of data on cross-border trade in services is notoriously difficult due to the intangible nature of services but also the high capacity needed to record such data (WB, 2017) and the different Modes of services trade (see Box (1) below). Available data suggest that trade in services is quite limited

as in 2013, Jordan registered exports to the US of around USD 100 million in sector such as IT, consulting tourism as well as health services.

**Table (3): Value of Jordan's Global Services Exports & Imports**

By year	2012	2013	2014	2015
Service exports (BoP, current US\$)	6420845070	631507042	713957746	6307887324
		3	5	
Service imports (BoP, current US\$)	4544366197	461154929	463408450	4495915493
		6	7	

Source: WITS, 2017

**Box (1): Modes of supply for trade in Services**

**Mode 1: Cross-border**

Definition: services supplied from the territory of one WTO Member into the territory of any other Member

Example: A user in country A receives services from abroad through its telecommunications or postal infrastructure.

**Mode 2: Consumption abroad**

Definition: services supplied in the territory of one WTO Member to the service consumer of any other Member

Example: Nationals of country A have moved abroad as tourists, students, or patients to consume the respective services.

**Mode 3: Commercial presence**

Definition: services supplied by a service supplier of one WTO Member, through commercial presence, in the territory of any other Member

Example: The service is provided within country A by a locally-established affiliate, subsidiary, or representative office of a foreign-owned and — controlled company (bank, hotel group, construction company, etc.) this is a form of FDI.

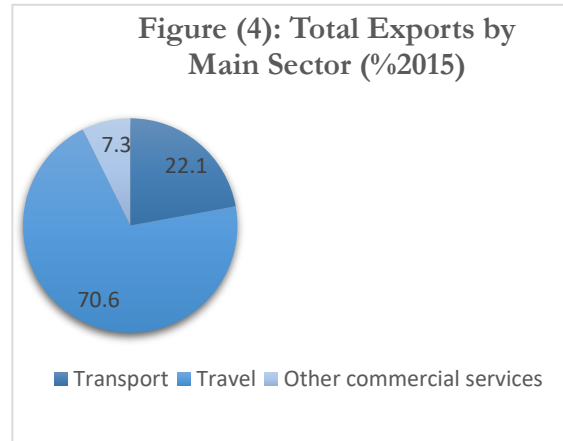
**Mode 4: Presence of natural persons**

Definition: services supplied by a service supplier of one WTO Member, through the presence of natural persons of a Member in the territory of any other Member

Example: A foreign national provides a service within country A as an independent supplier (e.g., consultant, health worker) or employee of a service supplier (e.g. consultancy firm, hospital, construction company).

*Sources: UN Trade Statistics*

Jordan’s main services export are in Transport, Travel and other commercial service. “Other commercial services” covers communications services (e.g. telecoms), construction, insurance services, financial services, computer and information services, royalties and license fees, **other business services, and personal, cultural and recreational services** (e.g. audiovisual services). (WTO, international trade statics, 2011).



**Table (2): Jordan’s Top Services Exports and Imports (USD million, 2015)**

Exports	Imports
Transport (1,274)	Transport (2,492)
Travel (4,065)	Travel (1,160)
Other commercial services and goods-related services (421)	Other commercial services and goods-related services (926)

Source: World Trade Organization, “Jordan Trade Profile”, 2015

### *U.S. Exports of Services to Jordan*

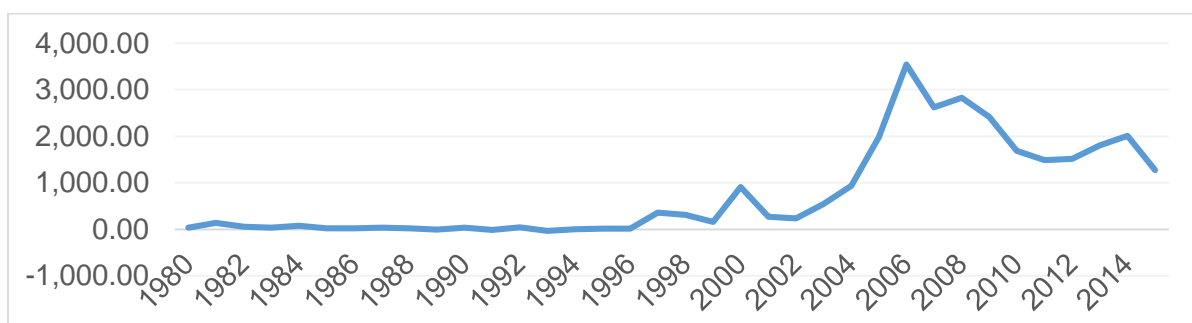
U.S. exports of services to Jordan were an estimated \$698 million in 2016, 2.8% (\$19 million) more than 2015. Leading services exports from the U.S. to Jordan were in the travel, transport, and technical and other services sectors. (USTR, 2018).

## Jordan – US Investment

Traditionally Jordan benefited from massive investment from Gulf countries. Other key investments resulted from privatization efforts (implemented during 1998 – 2008, when the Government privatized fourteen state owned enterprises (SOEs) – in telecommunications, electricity, air transport, mining and other sectors) (Mako, 2012). As well as through a number of large scale infrastructure projects A Public-Private Partnership Law No 31 of 2014 (“PPP Law”) was enacted to encourage private sector participation in economic development. Otherwise, investments are mainly concentrated in the field of real estate (residential and commercial), financial services and large tourism projects.

More recently FDI has declined as a result of the international economic crisis, and the continued regional instability. In 2014, FDI totaled USD 1.76 billion and has since remained stable (JIC, 2016).

**Figure (5): FDI Inflows to Jordan (USD millions, 1980-2014)**



**Table (3): Jordan FDI Inward Stock**

Year	1995	2012	2013	2014	2015
USD millions	1,379	24,898	26,770	28,714	29,958

**Table (4): FDI Outward Stock**

Year	1995	2012	2013	2014	2015
USD millions	64	509	525	608	609

**Table (5): M&A Sales**

Year	2012	2013	2015
------	------	------	------



<b>USD</b>	-5	35	175
<b>millions</b>			
Source: UNCTAD, World Investment Report 2016			

Inward FDI from the US reached in 2016 reached 102.6 USD millions. From 2003 to 2016 a total of 54 FDI projects were recorded. These projects represent a total capital investment of USD 3.15 billion, which is an average investment of USD 58.40 million per project, a total of 7,868 jobs were created. FDI trends by sector are: **Software & IT services; Business Services; Hotels & Tourism; Automotive OEM; Business Machines & Equipment; Communications; Financial Services; Food & Tobacco; and Chemicals** (JIC, 2016).

**Table (6): Jordan :2018 Doing Business Rankings**

<b>Ease of Doing Business Rank</b>	:	<b>103 / 190</b>
Starting a Business	:	105
Dealing with Construction Permits	:	110
Getting Electricity	:	40
Registering Property	:	72
Getting Credit	:	159
Protecting Minority Investors	:	146
Paying Taxes	:	97
Trading across Borders	:	53
Enforcing Contracts	:	118
Resolving Insolvency	:	146

**Table (7): Jordan's Global Competitiveness Index**

<b>Global Competitiveness Index</b>	:	<b>65 / 137</b>
Sub index A: Basic requirements	:	73
Institutions	:	36
Infrastructure	:	58
Macroeconomic environment	:	115
Health and Primary Education	:	80
Sub Index B: Efficiency Enhancers	:	67
Higher Education and Training	:	63
Goods Market Efficiency	:	51
Labor Market Efficiency	:	90
Financial Market Development	:	70
Technological Readiness	:	67
Market Size	:	76

Sub Index C: Innovation and Sophistication	:	45
Business Sophistication	:	48
Innovation	:	46
<b>Source: International Monetary Fund; World Economic Outlook Database (April 2017)</b>		

Annex II to this Strategy provides an in-depth analysis of US investments in Jordan. Information on Jordan FDI in the United States could not be located.

As for Jordan Outward Investment, in 2014, Jordan succeeded in exporting FDI worth 83 million dollars according to UNCTAD an estimation, which represent 0.2% of the Arab total for the same year. Outward FDI balances from Jordan amounted to some 608 million dollars by the end of 2014, which represent 0.2% of the Arab total for the same period. As for Jordan’s investment activity abroad according to the FDI Markets database published by the Financial Times for the period from January 2003 to May 2015, it was as follows:

- The number of Jordanian FDI projects abroad amounted to 108 projects that are being implemented by Jordanian companies. Estimations reveal that the overall investment cost of those projects, which employ some 14.6 thousand workers, is close to 4.3 billion dollars.
- UAE, KSA, Indonesia, Iraq, Egypt, Syria, Palestine, Oman, Algeria and Ghana respectively were on the list of the most important countries receiving Jordanian investments, in terms of investment cost of the projects. The share of the UAE, KSA and Indonesia accounted for around 56% of the total. (Sources: Arab Investment and Export Credit Guarantee Corporation, 2017)

## Priority Sectors

The research and data analysis reflected above demonstrates that bilateral trade between Jordan and the US in general has not experienced significant growth despite holding substantial untapped opportunities. The same can be presumed with respect to FDIs. Beyond garments, some unique success stories can be reported such as Jordan Bromine Company (JBC); Petra Solar, AES and the America-Mideast Educational and Training Services (Amideast). In the IT sector, leading US companies such as Cisco Systems, Hewlett-Packard (HP), Oracle and Microsoft have established a presence in the Kingdom.

Trade agreements and investment incentives are components of the overall economic development policy. cannot alone produce enhanced trade and investment patterns. They must be accompanied by support measures to harness the opportunities offered by the JUSFTA and the special relations between the two partners.

In this context, the need to priorities sectors/products is premised on three important considerations: firstly, it is recognized that the Tijara Coalition’s members face resource constraints and any allocation of resources needs to be suited to sectors; secondly, the private sector is facing a vast number of challenges that result in diverse requests which then necessitates that the Tijara Coalition adopts a targeted pro-active approach, and thirdly, the work is focused on strengthening ties between the US and Jordanian business communities, where considerations related to importance of the sector to the US consumers, its significance to the economy, enterprises’ strengths, job creation and the Tijara Coalition’s ability to make the most impact. The table below provides a comprehensive overview of all sectors/products with possible growth potential.

**Table (6): Comprehensive Overview of Priority Sectors**

Sector/Product	Assessment for growth of :			Comments:
	Investment	Reinvestment	Export	
Textiles (HS 61 & 62)	x	x	x	Growing export sector. Possibility to attract new investments and expand current investments and increase exports.
Jewelry (HS 71)	x	x	x	Growing export sector with only one US investor in Jordan. Possibility to attract new

				investments, expand current investment and increase exports.
<b>Transportation &amp; Logistics HS (86,87)</b>	x			<p>Public transport and Logistics are national priorities and are important for reducing the costs of shipping and logistics in Jordan. Priority projects are (Jordan Economic Growth Plan, 2018-2022):</p> <ul style="list-style-type: none"> <li>- National Railway Project: Establish a national railway comprising of a 942 km cargo-based rail network connecting main industrial cities and logistical centers throughout Jordan, while also linking the Kingdom with neighboring countries and linking GCC with Europe.</li> <li>- Ma'an Dry Port: Establish a dry port in Ma'an that will serve the Industrial Park in Ma'an governorate, close to the proposed route of the national railway project, and connected to several national and international roads with Saudi Arabia, Jordan, Iraq, and Aqaba Port.</li> </ul> <p>Moreover, possibility also exists to attract investments in the manufacturing of motor equipment, railway and locomotive (HS 86&amp; 87).</p>
<b>Chemical &amp; Allied Industry HS (30,34,31,33)</b>	x	x	x	<p>Manufacturing of Chemicals focusing mainly on pharmaceuticals, fertilizers, soaps and detergents to include dead-sea products. Jordan's global exports of fertilizers HS (31) account for 8.2% of Jordan's global exports while the U.S. imports this commodity only from neighboring countries: Qatar, Saudi Arabia, and Israel. As such there is a possibility to increase exports and attract further investments in the manufacturing of fertilizers.</p>

<b>Building Material HS (68)</b>	x	x	x	Due to the availability of raw material the opportunity exists for attracting further investments in this sector and increasing export.
<b>Machinery/Electrical (HS 84, 85)</b>	x	x	x	Jordan exports air conditioning machines. Moreover, Jordan attracted US investments in the manufacturing of electrical control boards, transformer substations and ancillary electrical connectors. As such there is a possibility to increase exports and attract further investments in this sector.
<b>Foodstuffs HS (19,20,21)</b>	x	x	x	Foodstuffs such as pastries and pickles and soup preparations or any other ethnic food products have a high export potential.
<b>Financial Services</b>	x			Financial services focusing on providing credit facilities and activities of a holding company.
<b>IT &amp; ITES</b>	x	x	x	Export of IT & ITES to US reached US\$ 16.4 million in 2015 according to Int@j. Opportunities exist to increase exports and attract further investments in this sector.
<b>Tourism (Accommodation &amp; recreation)</b>	x	x		Opportunities exist to attract further investments in the Tourism sector focusing mainly on accommodation and recreation.
<b>Energy Sector (renewable)</b>	x			Opportunities exist for attracting US investments in the energy sector focusing on renewable energy.
<b>Education Sector (University, vocational and life-long learning)</b>	x			Regional demand in education “youth bulge” positions Jordan as an important destination country for education. Career development and life-long learning as well as vocational education are important for enhancing skills in the country. Hence opportunities exist for attracting further investments in this sector.

This means that the Tijara Coalition has to exercise greater discretion in terms of the sectors it chooses to target to increase its effectiveness and be able to make a lasting and meaningful impact and achieve its objectives to:

- Support and promote the flow (export & import) of good and services.
- Promote investment opportunities and facilitate investments.
- Support trade facilitation measures.

- Build awareness among the two partners’ business communities about trade and investment opportunities and the nature of bilateral economic cooperation.
- Support the developments of economic policies and legislative modernization.

Based on the Tijara Coalition Working Principles, from empirical evidence and data analysis the following initial priority sectors/products have emerged:

- Fast Moving Consumer Goods (FMCG): Food Products, Plastic Products and Detergents.
- Chemical Sector.
- Handicrafts.
- Commercial Services.

Using the SWOT framework we examine each of the identified priority sectors. we first think through on what are the subsectors/products to be considered within the scope of the strategy as we cascade down towards a focused and targeted approach.

The SWOT analysis then provides crystalized points resulting from the analysis, approach and objectives highlighted earlier that center on the enterprise level’s ability to reach and capture the market and/or for investment at the possible project level and its ability to attract value added investments.

This basic screening helped inform the design of the strategy interventions in both the trade and investment areas.

### Fast Moving Consumer Goods (FMCG)

#### *Food Products*

For the purpose of this Strategy “Food Products” are defined as - coffee, tea, mate and spices (HS 9); cereals (HS 10); Olive oil and its fractions (HS 1509 & 1510); and foodstuffs (HS 16-24).

<b>Box (2): Food Products</b>		
	<i>Helpful to Objectives</i>	<i>Harmful to Objective</i>
<i>I</i>	<b>Strengths</b>	<b>Weaknesses</b>

	<ul style="list-style-type: none"> <li>- Good number of enterprises</li> <li>- Strong national companies with export experience.</li> <li>- Applying international SPS measures.</li> <li>- Good product Packaging</li> <li>- Established market linkages. (Industrial Policy)</li> <li>- Preferential market access for Jordanian products</li> </ul>	<ul style="list-style-type: none"> <li>- Shipping Costs &amp; Time</li> <li>- certification requirement (Halal Food)</li> <li>- Production capacity</li> <li>- Marketing Costs</li> <li>- Private Labelling</li> <li>- Distribution Channels (Direct Distribution / matchmaking services (“export House”))</li> <li>- Access to Finance</li> </ul>
<i>External</i>	<b>Opportunities</b>	<b>Threats</b>
	<ul style="list-style-type: none"> <li>- Sizable Arab American Community</li> <li>- Growing market for ethnic food.</li> <li>- Industry Growth opportunity (domestic investment opportunities)</li> </ul>	<ul style="list-style-type: none"> <li>- No brand recognition</li> <li>- Like products available from other sources (Arab countries and internal producers in the US) (price /quality competitiveness)</li> <li>- Inability to export meat or dairy products</li> </ul>

### *Plastic Products*

For the purpose of this Strategy “Plastic Products” are defined as Plastics and articles thereof (Packing and Packaging under heading HS 392010, HS 760720, Chapter 48, and HD 80500) and Plastic Furniture (HS 940370).

<b>Box (3) Plastic Sector</b>		
	<i>Helpful to Objectives</i>	<i>Harmful to Objective</i>
	<b>Strengths</b>	<b>Weaknesses</b>
<i>Internal</i>	<ul style="list-style-type: none"> <li>- Strong industries with export experience.</li> <li>- High quality</li> <li>- Export ready</li> <li>- Preferential market access for Jordanian products</li> </ul>	<ul style="list-style-type: none"> <li>- Shipping Costs &amp; Time</li> <li>- Production capacity to meet large orders from hipper markets</li> <li>- Marketing Costs</li> </ul>

		<ul style="list-style-type: none"> <li>- Distribution Channels (Direct Distribution / matchmaking services (“export House”))</li> <li>- Access to finance</li> </ul>
<i>External</i>	<b>Opportunities</b>	<b>Threats</b>
	<ul style="list-style-type: none"> <li>- Large US market</li> </ul>	<ul style="list-style-type: none"> <li>- Global completion for US market share (i.e. China)</li> </ul>

### *Detergents*

For the purpose of this Strategy “Detergents” are those items that include: soap; organic surface-active preparations used as soap, skin washing, in bars, cakes, molded pieces, shapes, liquid or cream, containing soap or not; for retail, paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent (HS 3402, HS 3405, HS 3505, HS 3824, HS 3809, HS 3808, HS 3007)

<b>Box (4) Detergents</b>		
	<i>Helpful to Objectives</i>	<i>Harmful to Objective</i>
<i>Internal</i>	<b>Strengths</b>	<b>Weaknesses</b>
	<ul style="list-style-type: none"> <li>- Strong industries with export experience.</li> <li>- High quality</li> <li>- Export ready</li> <li>- Preferential market access for Jordanian products</li> </ul>	<ul style="list-style-type: none"> <li>- Shipping Costs &amp; Time</li> <li>- Production capacity</li> <li>- Marketing Costs</li> <li>- Distribution Channels</li> <li>- Access to Finance</li> </ul>
<i>External</i>	<b>Opportunities</b>	<b>Threats</b>
	<ul style="list-style-type: none"> <li>- Large US market.</li> </ul>	<ul style="list-style-type: none"> <li>- Global completion for US market share (i.e. China)</li> </ul>

### Chemical Sector



Chemical sector is interesting from both the trade and investment aspect. For the purpose of this Strategy “Chemical Sector” are defined as HS 28-38 - Chemicals & Allied Industries from the trade perspective. These are:

- Chapter 29 Organic chemicals
- Chapter 30 Pharmaceutical products
- Chapter 31 Fertilizers
- Chapter 32 Tanning or dyeing extracts; dyes, pigments, paints, varnishes, putty and mastics
- Chapter 33 Essential oils and resinoids; perfumery, cosmetic or toilet preparations
- Chapter 34 Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modeling pastes, "dental waxes" and dental preparations with a basis of plaster
- Chapter 35 Albuminoidal substances; modified starches; glues; enzymes
- Chapter 36 Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations
- Chapter 37 Photographic or cinematographic goods
- Chapter 38 Miscellaneous chemical products

From an investment perspective, value added chemical manufacturing such as fertilizers, polymers, coatings, consumer chemicals, additives and adhesives offer interesting investment opportunities.

<b>Box (3) Chemical Sector</b>		
	<i>Helpful to Objectives</i>	<i>Harmful to Objective</i>
	<b>Strengths</b>	<b>Weaknesses</b>
<i>Internal</i>	<ul style="list-style-type: none"> <li>- Chemicals is the largest export sector in Jordan.</li> <li>- A thriving domestic industry including outward investors Arab Potash and National Pains.</li> <li>- Skilled employees reaching more than 8,000 workers across over 300 establishments (JIC, IPS, 2011 data)</li> </ul>	<ul style="list-style-type: none"> <li>- Shipping Costs &amp; Time</li> <li>- Products specification.</li> <li>- Production capacity</li> <li>- Marketing Costs</li> <li>- Distribution Channels</li> <li>- Access to Finance</li> </ul>

	<ul style="list-style-type: none"> <li>- A national sector strategy in place that will support industry growth (Industrial Policy)</li> <li>- Preferential market access for Jordanian products</li> </ul>	
<i>External</i>	<b>Opportunities</b>	<b>Threats</b>
	<ul style="list-style-type: none"> <li>- Large US market.</li> <li>- Value chain development opportunities</li> <li>- Technology transfer potentials</li> <li>- Skilled and educated labor force.</li> <li>- Quality infrastructure.</li> <li>- Solid and dynamic banking system.</li> <li>- Level of economic openness.</li> <li>- Special development zones competitive tax environment.</li> <li>- Rule of law &amp; IP protection.</li> </ul>	<ul style="list-style-type: none"> <li>- Global competition for US market share (from China and India)</li> <li>- High level of investment required. Global competition for investments.</li> </ul>

## Handicrafts

Handicrafts include woven rugs (HS 5702), glass and glassware (HS 70) jewelry (HS 71), handmade soaps (HS 34) and works of art (HS 9701, 2 & 3).

<b>Box (5) Handicrafts</b>		
	<i>Helpful to Objectives</i>	<i>Harmful to Objective</i>
	<b>Strengths</b>	<b>Weaknesses</b>
<i>Internal</i>	<ul style="list-style-type: none"> <li>- Availability of quality products</li> <li>- Unique product</li> <li>- Not commercialized with specialized market niche and ability to compete,</li> <li>- Creative and innovative national industry</li> </ul>	<ul style="list-style-type: none"> <li>- Marketing Costs (need to expose products to the market)</li> <li>- Distribution Channels including e-commerce platform</li> </ul>

	- Preferential market access for Jordanian products	
<i>External</i>	<b>Opportunities</b>	<b>Threats</b>
	<ul style="list-style-type: none"> <li>- Value added products with high returns</li> <li>- Industry Growth opportunity (domestic investment opportunities)</li> <li>- Large Arab community in the US</li> <li>- Large US market, with growing interest in handicraft and works of art items</li> <li>- A national sector strategy in place that will support industry growth (National Strategy for Tourism Handicrafts Development)</li> <li>- E-commerce</li> </ul>	<ul style="list-style-type: none"> <li>- Brand recognition</li> <li>- Marketing challenges</li> </ul>

**Commercial Services**

For the purpose of this Strategy “Commercial Services” from a trade perspective will focus on information technology (IT) services; business process outsourcing; advertising; audio-visual services, management consultancy activities; and other non-professional business services. From an investment perspective architectural, engineering, & related services as well as legal services hold potential as well as Financial Services.

<b>Box (6): Commercial Services</b>		
	<i>Helpful to Objectives</i>	<i>Harmful to Objective</i>
<i>Internal</i>	<b>Strengths</b>	<b>Weaknesses</b>
	<ul style="list-style-type: none"> <li>- Jordan is a services economy, with existing clusters and being the</li> </ul>	<ul style="list-style-type: none"> <li>- Marketing and position service provider</li> <li>- Access to Financing</li> </ul>

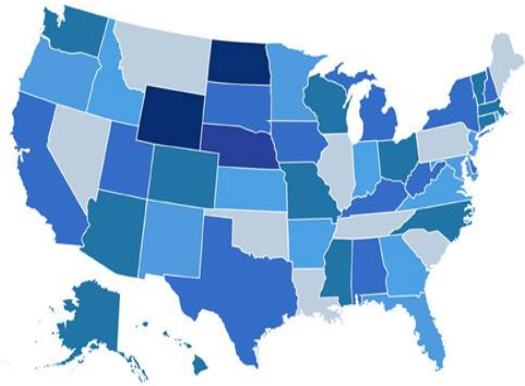
	<p>third largest employing sector in Jordan supporting more than 30,000 jobs across almost 6,500 establishments (half of which are in Amman) (2011 data)</p> <ul style="list-style-type: none"> <li>- Growing export sector.</li> <li>- Almost 63,000 students are studying courses related to business services, creating an exceptional talent pool for the future labor force (official 2014 statistics)</li> <li>- A national sector strategy in place that will support industry growth (REACH)</li> <li>- Knowledge and experience in the Gulf market</li> <li>- Solid and dynamic banking system.</li> <li>- Level of economic openness</li> <li>- Special development zones competitive tax environment</li> <li>- Rule of law &amp; IP protection.</li> <li>- Preferential market access for Jordanian products</li> </ul>	<ul style="list-style-type: none"> <li>- Weak Labor specialization (highly skilled and certified workers)</li> <li>- Quality and timely delivery of service</li> <li>- IP enforcement</li> </ul>
<i>External</i>	<b>Opportunities</b>	<b>Threats</b>
	<ul style="list-style-type: none"> <li>- Large US market.</li> <li>- Jordanian Diaspora (that is well positioned and supportive/Connect.Jo)</li> <li>- Linkages development opportunities.</li> <li>- Knowledge &amp; Technology transfer potentials.</li> <li>- Enhancing skilled of labor force.</li> <li>- Quality infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>- High level of Competition</li> <li>- Liability and warranty issues</li> <li>- Movement of persons' challenges</li> <li>- Regional instability</li> </ul>

It is important to note that no recent sector competitiveness studies that benchmarks the Jordanian national economy and competitive sectors against competing countries was found. Undertaking such reviews are necessary for any further planning to be made.

## Priority Regions

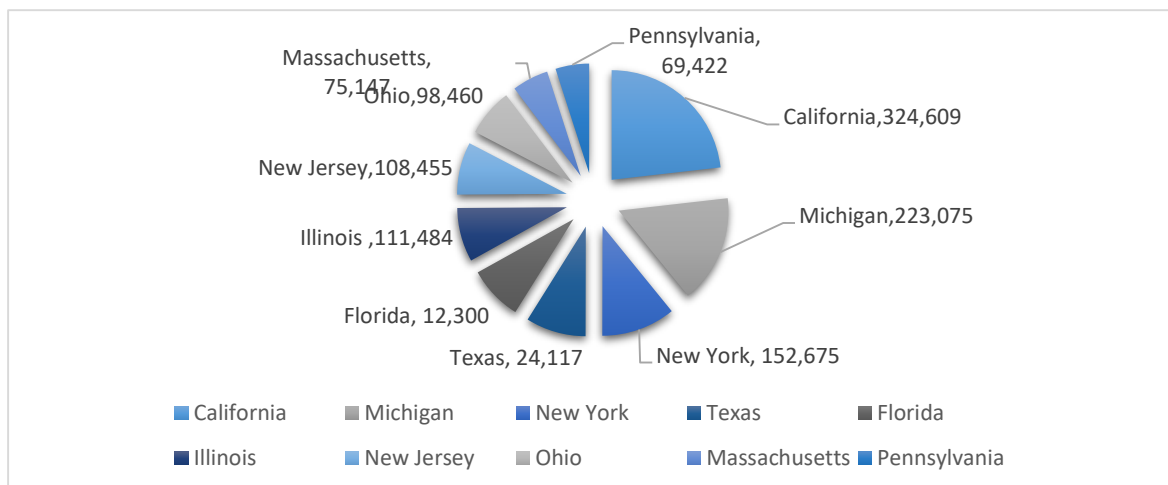
The US is a federal constitutional republic with fifty states and one federal district. It has a population of more than 323 million people.

For the Tijara Coalition to be able to capitalize on significant export opportunities and investment potentials it is further necessary to focus work at the state level. At the initial stage of the work 4 states have been selected for the following justifications.



STATES SELECTED:	JUSTIFICATION
<ol style="list-style-type: none"> <li>1) New York City - NY</li> <li>2) Chicago – Illinois</li> <li>3) Detroit – Michigan</li> <li>4) San Francisco – California</li> </ol>	<ul style="list-style-type: none"> <li>- Business centers.</li> <li>- Existing links and partnerships with Business representatives.</li> <li>- Knowledge of the business environment.</li> <li>- Strong Jordanian community including members from Connect.jo</li> <li>- Large Arab and Eastern communities.</li> </ul>

**Figure (6): Top 10 States by Arab American Population**



Source: Arab American Institute, 2017

On the investment side, work within these cities /states will also focus on specific US companies, not limited to FDI attraction for the Government’s planned large-scale infrastructure projects in the water, transportation, and energy sectors, but also to establish joint ventures that have knowledge and skills development component and can contribute to the technological sophistication of Jordan’s industrial base.

Moreover, analysis on major source regions for US Outward FDI confirms that these are from the West Coast, Mid-East and the South East. The Key US source cities for FDI are New York City, San Francisco and Chicago.

**Table (7): Top Sectors for US Global Outward FDI**

<b>Industry</b>	<b>Projects</b>	<b>Companies</b>
<b>Software &amp; IT services</b>	<b>4,284</b>	<b>1,894</b>
<b>Business Services</b>	<b>2,217</b>	<b>1,103</b>
<b>Chemicals</b>	<b>550</b>	<b>226</b>
<b>Food &amp; Tobacco</b>	<b>487</b>	<b>191</b>
Pharmaceuticals	290	125
Hotels & Tourism	256	85
Aerospace	229	108
Alternative/Renewable energy	148	74
<b>Key Source State</b>	<b>Projects</b>	<b>Companies</b>
<b>California</b>	2,338	958
<b>New York</b>	1,475	626
<b>Illinois</b>	495	211
Massachusetts	484	237
Washington	434	105
Texas	419	248
Florida	384	217
Pennsylvania	352	162
New Jersey	345	162
Connecticut	271	103
Ohio	267	105
<i>From report by ICA 2017 fDi Markets dataset of greenfield FDI projects over the period January 2012 to June 2017 in target sectors.</i>		

## Chapter II: Strategy Work Pillars

The Jordanian economy is under pressure, with a slow growth rate of 2% annually, a rate insufficient for lowering unemployment and the national debt. According to the International Monetary Fund (IMF), “Despite considerable progress and recent improvements, the outlook remains challenging.” (IMF, 2017) In 2016, the IMF and Jordan reached a new, three-year \$723 million extended fund facility (EFF) agreement that commits Jordan to improving the business environment for the private sector, reducing budget expenditures, and reforming the tax code. (Sharp, 2017).

While Jordan has made strides in liberalizing trade, stabilizing the macroeconomic situation, and improving the investment climate. Export growth remains limited, with goods exports concentrated in a few commodities. Jordan’s export goods rely on a few - unsophisticated - commodities these are: textiles, fertilizers, potash, phosphates, vegetables, pharmaceuticals. While Jordan’s main export partners are the US (21%), Saudi Arabia (16.5%), Iraq (10.3%), India (8.7%), UAE (4.8%), Kuwait 4.4% (Theodora, 2015).

Despite the extensive benefits of the U.S.-Jordan economic partnership, its full potential to investors, producers and consumers remains untapped. As the Jordanian private sector has been traditionally directed towards regional markets such as GCC and Iraq that were also the source of foreign investments into the Kingdom mainly from Kuwait and Iraq. The recent regional instability and security spill over, have negatively affected exports, tourism trade and has resulted in an economic slowdown. In addition to challenges incurred due to hosting of refugees, adding to Jordan’s development challenges that include high unemployment rates reaching 18.2 per cent during the first quarter of 2017 (DOS, 2017).

This situation has given great impetus to both the public and private sectors in Jordan to attract green field investments that respond to Jordan’s human development level and promote technology transfer, as well as diversify trade with a strong and stable US market.

A study by the World Bank looking at trade diversification in the MENA region, confirmed that from a private sector perspective export expansion is driven by specific



reasons or triggers such as external shock. The Box below lists these reasons. The study also conceded that often more than one trigger was at play. The most decisive trigger was the combination of information about new business opportunities with an entrepreneur willing to take high risks and adopt new technologies and management techniques (Nassif, 2010).

### **Box (7): What Triggers Export Growth in the MENA Region**

- **An external, unpredicted shock:** An unanticipated event, such as a war, can change the profitability of existing businesses and force firms to change strategy. Such a trigger might include changes in global demand or supply that push multinationals to relocate part of their production to stay competitive.
- **Market evolution:** The emergence of a new market or a change in the existing market structure can create an opportunity for new business. Market liberalization is a key example.
- **Capacity to produce in excess of domestic demand:** A firm oriented toward a domestic market learns how to export its excess production.
- **Research:** A technology-oriented firm or person can commercialize a patented invention as a result of research.
- **News:** A discovery is driven by new information about business opportunities.
- **Random walk:** High-risk entrepreneurs can create businesses through trial and error or by seizing a one-time opportunity

*Source: WB 2010.*

Analysis of the challenges facing diversification of Jordan's exports to the US indicate that and due to USJFTA, Jordanian exports do not face at-the-border barriers (such as tariffs and non-tariff measures, including import quotas). Jordanian exporters confront significant Behind-the-border issues in accessing the US market, in particular for agricultural and processed food products (AbuGattas, 2015) such as competition, standards, liability and payments, marketing and many others.

Attracting foreign direct investment (FDI) tops the economic agenda. FDI brings capital, technology; creates jobs and links the Jordanian economy to the world economy. While the government has put in place monetary incentives, specialized economic zones, and invested in infrastructure and the bettering of the business environment; investment promotion activities remain limited. From international experience, it is well recognized that direct and aggressive campaigning for investment projects is an essential activity in any country.

Given the status of the global economy, today, Jordan is competing for capital at the global level. For the investment promotion tool to succeed it must be targeted, detailed and sector specific. Taking into account the Jordanian specificities and country circumstances. the newly formulated investment promotion agency – Jordan Investment Commission, is singularly unable to overcome the challenges faced in attract investment inflows. the Tijara Coalition can help by supporting a high quality relationship between the JIC and the private sector to contribute to bolstering promotion activities with US private sector as well as identify problems faced by investors in Jordan.

### **Box (8) Five Areas Most Likely to Attract Investment Inflows**

- Investment in raw materials sectors (such as potash and phosphates are among Jordan's main economic export).
- Investment in resource-based manufactures based on locally sourced resources (such as rubber manufacturing in Malaysia).
- Investment in tourism, which also takes advantage of local resource endowments (such as Jordan historic and antiquities richness).
- Investment in labor-intensive manufacturing using internationally produced inputs (such as apparel and other assembly operations).
- Investment in services sector activities based on education and information and communications technology (ICT). Jordan holds high potential for low-end services: call centers, data transcription and basic business-processing operations (BPO) as well as mid-to high end services such as programming, gaming, security.

**(Source: EIU, 2015)**

In this context, the Tijara Coalition will design and deliver interventions and work programs for Jordanian and US business communities to enable increase in two-way trade and investments. Interventions will directly serve the Jordanian and US companies and professionals by putting into place support services that provide specific solutions to meet their growth needs and create competitive advantage. The design and delivery of the activities will be within the following three Pillars:

- **Trade Pillar** (export and import / goods and service) with the objective of diversifying bilateral trade - exports and imports - and growing the span of cooperation among Jordan-US business entities in their products supply chains.
- **Investment Pillar** (inwards and outward): with the objective of identifying investment opportunities for US, regional and International companies in Jordan to establish Jordan as a US market entry hub. Support US investment into Jordanian firms.
- **Policy and Advocacy Pillar:** with the objective of supporting the modernization of the Business Environment through enhancing the legislative and processes frameworks and addressing trade and investment impediments.

The value of this framework is found in its inclusiveness and in its utility to stakeholders. As it provides a platform for open dialogue, sharing knowledge and experience. It puts into place practical tools to deal with industry challenges and offers real solutions to overcome specific business challenges.

## Trade Pillar

### *Overall Objective*

Under the Trade Pillar the Tijara Coalition interventions will work to achieve the overall objective of **diversifying bilateral trade - exports and imports - and growing the span of cooperation among Jordan-US business entities in their products supply chains**. As noted in Chapter I, the targeted approach adopted by this Strategy depends on focusing efforts by identifying niches at the sector/product and state/city levels, where targeted interventions can then be designed and be taken to achieve the specific objective.

*Specific Objectives*

The table below lists this pillar’s specific objectives and outlines the initiatives that can be put in place to reach these objectives:

<b>Trade Pillar</b>	
<b>Specific Objective</b>	<b>Programs of Work</b>
(1) Ensure that Jordanian Products conform to US standards and specification	: - Put in place a program that will: <ul style="list-style-type: none"> <li>a) Provide information to Jordanian producers on the US market specification and standards.</li> <li>b) Establish linkages with U.S. industry associations</li> <li>c) Facilitate access to experts and/or funding (grants/soft loans) to support upgrading plan for Jordanian exporters</li> </ul>
(2) Support to enhance market entry for goods and services:	: - Build awareness on opportunities and facilitate business exchanges <ul style="list-style-type: none"> <li>- Delivering goods to new target markets and distributing them there.</li> <li>- Support to service provider’s in establishing and managing contracts.</li> <li>- Facilitate establishment of local consortiums with possible joint representation to meet export demand (economy of scale issue and/or to source locally so as to increase production efficiency).</li> </ul>
(3) Facilitate increase of exports from the US	: - Build awareness on opportunities and facilitate business exchanges <ul style="list-style-type: none"> <li>- Stretching the production value chain (with focus on the best utilization of the FTA RoOs including the 15% cumulation rule that can be used to enhance goods for the US as well as other markets).</li> </ul>

## Investment Pillar

### *Overall Objective*

Enhancing FDI flows will have positive effects on jobs creation, transfer of technology and know-how, export development and improving economic growth. As such, the overall objective of the Tijara Coalition is to support the increase of inward investments from the US as well as support Jordanian and outward investment (specifically in the services sector which can open up global markets for Jordan).

### *Specific Objective*

The table below lists this pillar's specific objectives and outlines the initiatives that can be put in place to reach these objectives:

<b>Investment Pillar</b>	
<b>Specific Objective</b>	<b>Programs of Work</b>
(1) Help identify investment opportunities for US companies in Jordan	: <ul style="list-style-type: none"><li>- Promote investment opportunities in Jordan (such as infrastructure projects or project identified in the "Jordan Investment Map").</li><li>- Support US companies' expansion of operations to Jordan from a social impact/CSR perspective.</li><li>- Facilitate growth opportunities for current US investments.</li><li>- Facilitate establishment of Jordan as a US market entry hub for the region by:<ul style="list-style-type: none"><li>a) Building awareness on Jordan's value proposition as a regional hub for US investments.</li><li>b) Facilitating linkages with Jordanian authorities to facilities such investments</li></ul></li></ul>
(2) Support US investment into Jordanian firms	: <ul style="list-style-type: none"><li>- Support Jordanian firm in identifying US investors or partners for growth and expansion opportunities.</li></ul>

	- Support Jordanian firm in locating and obtaining new processes, methods or technologies to solve industry challenges or increase production efficiency.
(3) Support Jordanian investment in the US	: - Build awareness and provide information on establishment in the US (at the state level)

## **Policy and Advocacy Pillar**

### *Overall Objective*

Contribution to the modernization of economic policy is key to positive growth that contributes to sustainable economic development. To ensure better policies that are more equitable and more effective, they are best developed through a collaborative process that is based on research and best international practices.

The Tijara Coalition puts in place a public private dialogue platform that seeks to contribute to policy development through supporting the Government in addressing trade and investment impediments and modernization of the local Business Environment.

### *Specific Objective*

The table below lists this pillar’s specific objectives and outlines the initiatives that can be put in place to reach these objectives:

<b>Policy and Advocacy Pillar</b>	
<b>Specific Objective</b>	<b>Programs of Work</b>
(1) Enhancing the Business Environment	: - Contributing to the development legislations and administrative processes.
(2) Overcoming trade and investment impediments	: - Support and participate in national measures or programs to address investment or export hurdles.

## Chapter III: Institutional Framework

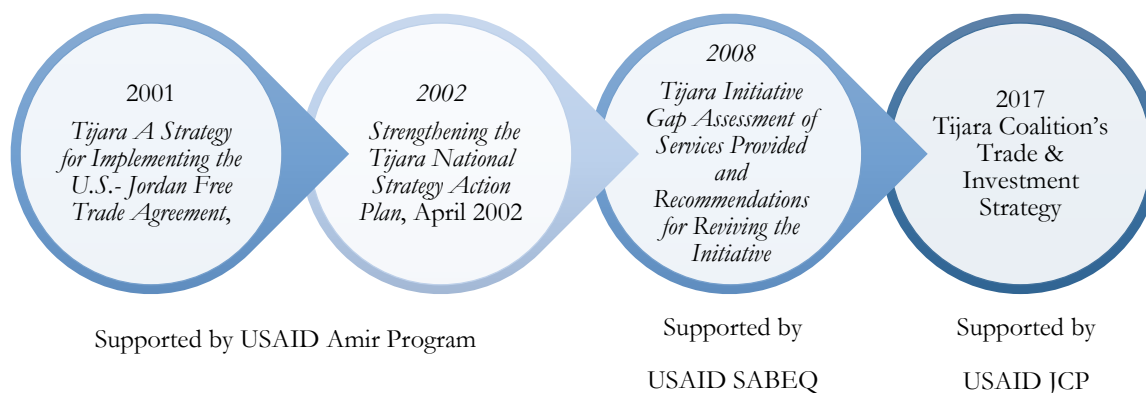
Establishing an institutional framework for the successful and sustainable management of the strategy is essential for its successful implementation.

The Tijara Coalition was first established in 2001 as an alliance of key Jordanian business associations and government agencies dedicated to promoting bilateral trade and investment through enhancing the opportunities of the U.S.-Jordan Free Trade Agreement (JUSFTA). The successful conclusion of its 2004-2007 Tijara strategy was instrumental in supporting the implementation of JUSFTA. In 2008, Members decided to revamp “Tijara” to give it a more focused agenda within the following areas of activities:

- Serve as a platform for dialogue and exchange of ideas.
- Conduct broad-based awareness and information campaigns.
- Represent the interests and concerns of Tijara members through effective advocacy.
- Establish linkages with U.S. based trade and investment institutions.
- Facilitate the development and delivery of capacity building activities.

**Figure (6): Tijara Coalition Historical Millstones:**

*Established om 2001 and Relunched in 2017*



Over the past years, the coalition was dormant, due to; the progressive implementation of the JUSFTA- on the one hand and on the other hand, due to Jordan’s trade liberalization policy of entering into both bilateral and regional free trade arrangements with key trading partners, including the EU and Canada, next to the GAFTA. That

contributed to focusing business’s export efforts on neighboring markets, as well as to the lack of specific resources to support the initiative’s growth activities.

Today, the continued regional unrest and the spillover effects it has had on Jordan’s traditional export markets of Iraq, Syria, Yemen and Libya, has placed urgency on the businesses community and government to act to better utilize the potentials and opportunities available to them; as a result of the unique economic relations between Jordan and the U.S. supported by the free trade and investment treaties.

Accordingly, and with support from the USAID Jordan Competiveness Program, the Tijara Coalition was relaunched in 2017, under the patronage of the Minister of Industry, Trade and Supply and the Chargé d'Affaires of the U.S. Embassy in Jordan, where 33 member organizations from the public and private sectors signed the Tijara Coalition Working Principle on 23 July 2017, in order to work jointly together to contribute to unlocking the benefits embodied within the legal instruments inforce between the two trading partners, with a view to creating a competitive and enabling environment that encourages two-way investments, exports and employment generation.

### Tijara Members

The current members of the Tijara Coalition are:

<b>Government Bodies</b>	<b>Chambers</b>	<b>Business Associations</b>	<b>Sectoral Associations</b>
Ministry of Industry , Trade & Supply	Jordan Chamber of Industry	American Chamber of Commerce in Jordan	The Information and Communication Technology Association of Jordan (int@j)
Jordan Investment Commission (JIC)	Jordan Chamber of Commerce	Jordan Exporters Association	EDAMA Association
U.S. Agency for International	Zarqa Chamber of Industry	Jordanian Businessmen Association	Jordanian Association of Pharmaceutical Manufacturers (JAPM)



Development (USAID) Jordan Competitiveness Program USAID-JCP	Zarqa chamber of commerce	Jordan Strategy Forum	Jordan Stone and Tile Exporters and Producers Association (JOSTONE)
US Embassy in Amman (Commercial Section & Economic Section)	Amman Chamber of Industry	Connect.jo	The Jordan Exporters and Producers Association for Fruit and Vegetables (JEPA)
Jordan Embassy in Washington	Amman Chamber of Commerce	East Amman Industrial Investors Association	Jordan Furniture Exporters and Manufactures Association (JFEMA)
Jordan Enterprise Development Corporation (JEDCO)	Irbid Chamber of Industry	Industrial Small and Medium-sized Enterprises association	Jordan Garments, Accessories and Textiles Exporters Association (JGATE)
Jordan Customs (JC)	Irbid Chamber of Commerce	Jordan Investors Association	Jordan Olive Products Exporters Association (JOPEA)
Jordan Standards and Metrology Organization (JSMO)		Yong Entrepreneurs Association (YEA)	Jordan Association for Manufacturers and Exporters of Footwear and Leather Industries
Jordan Food & Drug Administration (JFDA)			Dead Sea Production Association
Aqaba Special Economic Zone Authority (ASEZA)			

## FTA Unit

Free Trade Agreement (FTA) Unit was established in 2017 with support from the United States Agency for International Development's (USAID) Jordan Competitiveness Program (JCP). The FTA Unit is the Secretariat to the Tijara Coalition. It provides support for Tijara Coalition members and the operation of the structure. It assists the Tijara Coalition Council, the Pillars Committees its sub-committees and associated working groups.

The FTA Unit is housed within the American Chamber of Commerce in Jordan and will be the central point for all queries relating to the implementation and execution of the Strategy and the liaison between the members responsible for executing activities within the implementing plan, and reporting on its progress.

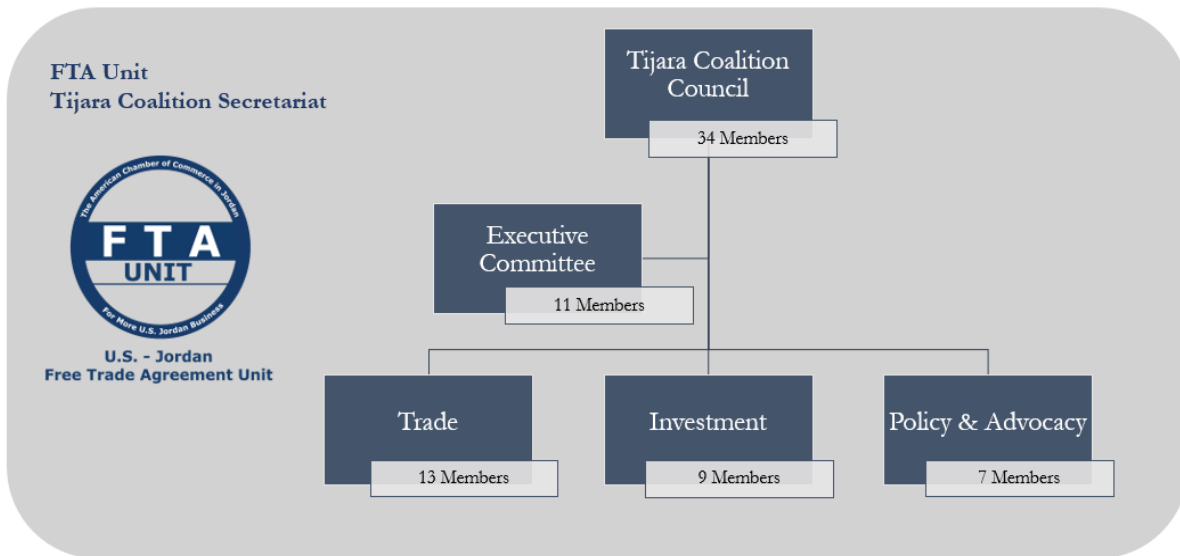
### *Secretariat Responsibilities*

- Drive the initiatives of the Strategy to ensure that they are implemented within scheduled timeframe and prepare progress reports.
- Identify possible donor funding for the implementation of the Strategy.
- Provide logistical support to the working structure.
- Provide support for the annual planning process to update the Strategy.
- Communicate actions, programs and measures.
- Liaise with all the related programs and initiatives.
- Report on the work done by the Tijara Coalition.

## Tijara Coalition Governance Structure

The interventions are overseen by a Tijara Coalition members organized into a functional structure of committees and working group comprised of representatives from relevant public and private sector representatives.

**Figure (7): The Tijara Coalition Core Governance Structure**



The structure is designed in line with best international practice. At the top of the structure is the Tijara Coalition Council. The Council is Chaired by the Minister of Industry, Trade and Supply (MITS). This is important as it provides a high-level political backing to the Tijara Coalition as well as helps mobilizing the private sector under a formal umbrella. The Council is comprised of all Coalition members who have committed to the Tijara Working Principle. New members can join either by submitting a request to the FTA Unit that is reviewed by the Executive Committee and raised to the Council for approval, or by invitation from the Council to join. Membership is completed upon signing the Working Principles.

Annexed to the Council is the Executive Committee that acts on behalf of the entire Council with respect to overseeing the Strategy and its overall implementation plan and annual work plans. The Council is followed by the three Work Pillar Committees that manages and makes decisions regarding the activities under each pillar. This core structure is responsible for planning, managing and the overall implementation of the Tijara Coalition initiatives and activities.

A third specialized layer is also established made up of technical committees that are set up by the Pillar Committee to implement and deal with specific issues in a focused and in-depth manner. These committees can be more effective as they have greater levels of technical expertise and can meet more frequently than the Pillar Committees.

Each committee should have a chair that oversees the work and deals with other committees and the FTA Unit (the secretariat). The Chairs of the committees are selected by the members and ideally should be sector/issue champions.

Champions can come from the public or private sectors, and even the donor community, they can be individual business persons or in some cases from academia. The most important qualification for champions is that they are widely respected and have strong experience and interest in the matter at hand. Elected business members are more likely to fulfill this criterion, especially if the association represents a wide range of businesses. Nonetheless, there will often be successful individuals who are capable of speaking for the enterprises in general (PPD Handbook, 2006).

To ensure an effective and efficient working processes, the number of seats available at the core structure has been limited in number and have been designated to those bodies with highest level of representation from the private sector and per their respective mandates from the public sector.

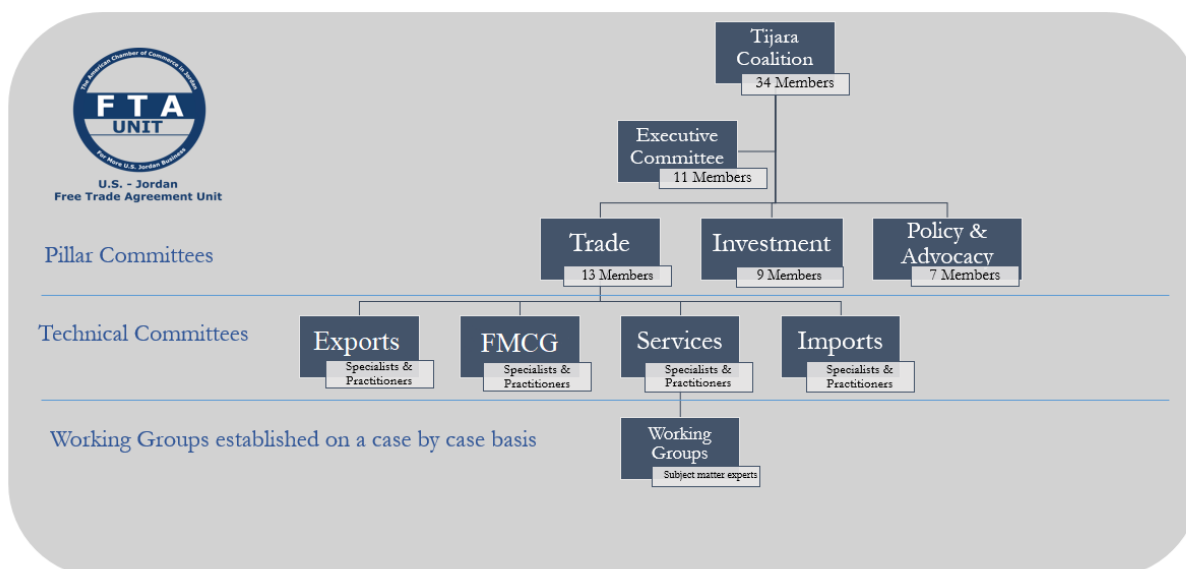
This in turn is balanced out within the work of the technical committees where membership is selected based on a substantive criterion, with a limited term of three years and a basic number of 5 members that can be extended by decision of the relevant Pillar Committee. This dynamism is expected to contribute to introducing new ideas and preserving the work momentum.

The technical committees should provide an annual report to their respective Pillar Committees which in turn must submit an annual report to the Council. The annual report is compiled by the Executive Committee which is raised to the Council for its approval at the end of each year.

The structure is supported by the FTA Unit - in its capacity as the Tijara Coalition Secretariat – it provides overall coordination; organizes meetings, coordinates research efforts and other logistics, sets agendas, lobbies with members, manage communication and outreach activities, identifies sources of funding and is the point of contact for others.

An important feature of the FTA Unit is to provide access to technical input and analysis that can be supported by inputs from the relevant members, or can be outsourced to local or international experts. To this end, a further layer of Working Groups can be set up, comprising of three members to work on one issue for a limited duration of time. Working Groups present their finding and recommendation to the committee to help inform its decision making process.

**Figure (7): Tijara Coalition Functional and Specialized Structure**



### *Committee Duties and Responsibilities*

#### **Tijara Coalition Council**

<b>Role / Mandate</b>	<b>Members: 34</b>	<b>Term</b>	<b>Meetings</b>
<ul style="list-style-type: none"> <li>- Approve Strategy(s)</li> <li>- Approve annual work plans.</li> <li>- Approve annual report</li> <li>- Approve or invite new members</li> <li>- Establish working groups or specialized committees.</li> </ul>	Members of the Tijara Coalition Signatories to the Working Principles	On going	1 Annually

#### **Executive Committee**

<b>Role / Mandate</b>	<b>Members: 11</b>	<b>Term</b>	<b>Meetings</b>
<ul style="list-style-type: none"> <li>- Develop Tijara Strategy</li> <li>- Develop the annual work plan</li> <li>- Review &amp; monitor Strategy implementation</li> <li>- Compile the annual report of the Collation activities.</li> <li>- Make recommendations</li> <li>- Commission studies or reports etc.</li> </ul>	MITS JIC ASEZA US Embassy JCC, ACC, ICC JCI, ACI, ZCI AmCham	On going	2 Annually / as Needed

- 
- Establish working groups, as needed.
- 

## Pillar Committees

### (1) Trade

Role / Mandate	Members: 13	Term	Meetings
<ul style="list-style-type: none"> <li>- Monitor, review and re-direct the work plan.</li> <li>- Prioritize sectors/ products and regions.</li> <li>- Identify internal/external sources for financing Tijara activities.</li> <li>- Design and implement sector specific support activities</li> <li>- Commission studies reports and communications material.</li> <li>- Establish technical Committees, nominate members and set its scope of work.</li> <li>- Set up working Groups. nominate members and set its scope of work.</li> </ul>	MITS, JIC, JCC, ACC, JCI, ACI, ZCI, ICC, US Embassy, ASEZA, AmCham, 2 Strong Enterprises	4 years	4 Annually /as Needed

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## (2) Investment

Role / Mandate	Members: 9	Term	Meetings
<ul style="list-style-type: none"> <li>- Monitor, review and re-direct the work plan.</li> <li>- Prioritize sectors/ products and regions.</li> <li>- Identify internal/external sources for financing Tijara activities.</li> <li>- Design and implement market specific interventions</li> <li>- Commission studies reports and communications material.</li> <li>- Establish technical Committees, nominate members and set its scope of work.</li> <li>- Set up working Groups. nominate members and set its scope of work.</li> </ul>	JIC, ASEZA, US Embassy, JCI, JCC, AmCham, 3 Private Sector (American investors/business persons)	4 years	4 Annually /as Needed

## (3) Policy and Advocacy

Role / Mandate	Members: 7	Term	Meetings
<ul style="list-style-type: none"> <li>- Organizing Policy Dialogues.</li> <li>- Contribute to the formulation of recommendation for the moderation of legislation or processes.</li> <li>- Commission studies reports and communications material.</li> <li>- Establish technical Committees, nominate members and set its scope of work.</li> <li>- Set up working groups. nominate members and set its scope of work.</li> </ul>	MITS, JIC, AmCham. JCI, JCC, 2 experts from the private sector (economist/legal/business persons)	4 years	4 Annually /as Needed

## Technical Committees

Perusing to the current priority sectors five (5) technical committees are set up under the Trade Pillar to deal with: FMCG, Chemicals, Handicrafts, Services and Imports.

Role / Mandate	Members: tbd	Term	Meetings
<ul style="list-style-type: none"> <li>- Implementation of the work plan activities: provide advice, conduct outreach, lobbying and coordination activities for the implementation of the actions.</li> <li>- Provide input to FTA Unit on technical issues.</li> <li>- Report to the Pillar Committee.</li> <li>- Issue recommendations.</li> <li>- Lunching programs of work.</li> <li>- Commission Studies and reports.</li> <li>- Establish working groups.</li> </ul>	<ul style="list-style-type: none"> <li>- Eligibility Criteria:</li> <li>- Companies working in the sector in question</li> <li>- Companies with a domicile in Jordan and/or US</li> <li>- Exporter</li> <li>- 1 Representative from the relevant sector association (such as Int@j)</li> <li>- Selection:</li> <li>- Nomination from Pillar committee</li> </ul>	3 years	4 Annually / as Needed

## Working Groups

Role / Mandate	Members: 3 to 5	Term	Meetings
<ul style="list-style-type: none"> <li>- Report to the relevant committee</li> <li>- Product output (reports/sturdy /recommendations/ analysis etc.)</li> </ul>	Subject matter experts selected by the relevant Committees Note: External Experts may be engaged as needed.	Maximum 6 Months	As needed

## *Understanding the Stakeholder*

To develop cooperation between the 'Tijara Coalition stakeholders' so as to ensure materialization of the initiatives and successful achievement of the Strategy outcomes, it is important to understand the role and influence of the different members and to make certain that in each of the decision making processes representation of the right members is achieved.

Accordingly, we categories the list of members into four interrelated groups:

**(1) National Public Sector Bodies:** these are the government bodies that have policy shaping, legislative power and technical supervisions over the national business environment and external trade relations. At the top of these bodies is MITS, ASEZA and JIC as well as JFTD, JSMO, JC and JEDCO. It should be noted here that other line ministries may have an important role to play with respect to specific



issue, as an example the Ministry of Agriculture with respect to enhancing the SPS rules in the area of meat or dairy products exports.

**(2) Business Representatives:** these are the civil society organization that represent the private sector’s interest such as chambers of industry and commerce or relevant associations (whether business, regional or sectoral associations). Also under this category trade or labor unions can be added or other bodies such as the Jordan Social and Economic Council that may be interested in joining the Coalition in the future.

**(3) Partners:** Partners are those entities local or international that have strategic importance to the initiative and support or facilitate its activities. This Category includes the US Embassy (namely Economic and Commercial sections), USAID and USAID JCP, other programs or possible donors and bodies such as Connect.Jo or US business organizations.

### Box (8): About Connect.Jo

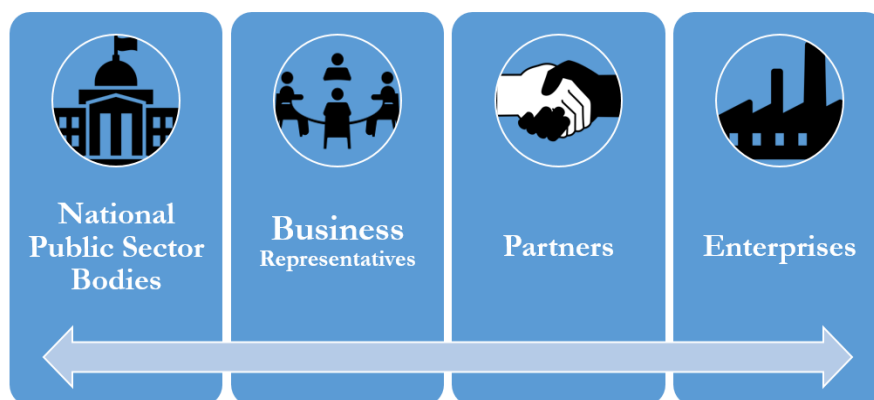
Connect.jo is a US based organization formally established in 2017. It was first launched in 2014, as a global platform linking professional Jordanians abroad to facilitate their efforts in contributing to economic advancement of Jordan.



AmCham-Jordan & Connect.JO’s US Chapter are partnering together to support achieving their common goals of enhancing Jordan – US business ties.

**(4) Enterprise:** are the direct beneficiaries of the Tijara Coalition activities and services and can be Jordanian or US firms and professionals.

**Figure (8): Tijara Coalition Stakeholder’s Grouping**



## Tijara Coalition Strategy Implementation Plan

The planning processes is critical for the consolidation and coordination of actions at the national level to ensure best utilization of resources to allow for the expansion of trade and investment ties between Jordan and the US.

As such the Tijara Coalition Strategy Implementation Plan outlines the national support measures for enterprises designed within the established Tijara Coalition set goals and structure. The plan lists the serious of tools currently available or to be developed by members which are in line with proven technical assistance programs and best international practices. These interventions should support the achievement of an average 5 per cent yearly increase in overall trade and investment figures. Thereby setting an overall target of 25 percent increase over the 5-year duration of the Strategy.

Annual work plans are prepared every year on the basis of the Strategy's Implementation Plan, reflecting achievements, adding new sectors or activities as well as learning and adjusting to compensate for challenges overcome or faced in previous year.

## Strategy Implementation Plan 2018-2022:

Pillar:	Trade			
Overall Objective:	Diversifying bilateral trade - exports and imports - and growing the span of cooperation among Jordan-US business entities in their products supply chains.			
Specific objectives:	Programs of Work	Activity	Targets	Responsibility
(1) <b>Ensure that Jordanian Product conform to US standards and specification</b>	Put in place a program that will: a) Provide information to Jordanian producers on the US market specification and standards. b) Establish linkages with U.S. industry associations. c) Facilitate access to experts and/or funding (grants/soft loans) to support upgrading plan for Jordanian exporters	Identify focal point from each members to work together to develop a cooperation network to respond to inquiries from the US and Jordan	Y1 develop work mechanism and meet regularly. Respond on a case by Case bases <i>(Note: a collaboration mechanism will be developed for all Pillars and is intended to strengthen the public-private partnership in support of common objectives to grow trade and investment between Jordan and the US.)</i>	Information Platform supported by FTA Unit
		Establish TA Program to help members meet the specificities and requirements of the US market and meeting the conditions of eligibility to benefit from the preferences trade arrangements.	Respond on a case by Case bases	Trade Committee/ relevant technical committees
		Specialized Trainings for 20 persons each.	Companies supported: Y1= 40 Y2=60 Y3= 80 Y4= 80 Y5= 80	Trade Committee/ relevant technical committees
(2) <b>Support to enhance market entry for goods and services</b>	- Build awareness on opportunities and facilitate business exchanges	Establish linkages with US based business associations.	MOUs with US based busies: Y1= 2 Y2=2 Y3= 2 Y4=2	Trade Committee/ relevant technical committees

<b>Pillar:</b>	<b>Trade</b>			
<b>Overall Objective:</b>	Diversifying bilateral trade - exports and imports - and growing the span of cooperation among Jordan-US business entities in their products supply chains.			
<b>Specific objectives:</b>	<b>Programs of Work</b>	<b>Activity</b>	<b>Targets</b>	<b>Responsibility</b>
	<ul style="list-style-type: none"> <li>- Delivering goods to new target markets and distributing them there.</li> <li>- Support to service provider's in establishing and managing contracts.</li> <li>- Facilitate establishment of local consortiums with possible joint representation to meet export demand (economy of scale issue and/or to source locally so as to increase production efficiency).</li> </ul>		Y5=2	
		Conduct trade missions & exhibitions	No. Missions: Y1= 4 Y2=4 Y3= 4 Y4=4 Y5=4	Trade Committee/ relevant technical committees
		Organize visitation programs	No. Missions: Y1= 2 Y2=2 Y3= 2 Y4=2 Y5=2	Trade Committee/ relevant technical committees
		Business to Business (B2B) and outreach service	No of Companies: Y1= 5 Y2=10 Y3= 10 Y4=10 Y5=10	Trade Committee/ relevant technical committees
		Hold events (conferences, seminars etc.)	No. of events Y1= 1 Y2=2 Y3= 2 Y4=2 Y5= 2	Trade Committee/ relevant technical committees
		Develop and delivery capacity building workshops/training programs	No 2 Training on WTO/ FTAs	Trade Committee/ relevant technical committees

<b>Pillar:</b>	<b>Trade</b>			
<b>Overall Objective:</b>	Diversifying bilateral trade - exports and imports - and growing the span of cooperation among Jordan-US business entities in their products supply chains.			
<b>Specific objectives:</b>	<b>Programs of Work</b>	<b>Activity</b>	<b>Targets</b>	<b>Responsibility</b>
			No. 2 Training on Marketing	Trade Committee/ relevant technical committees
			No 2 Training on Participation in trade shows	Trade Committee/ relevant technical committees
		Work with local enterprises to set up business collaboration platforms ( <i>such as setting up of joint consolidation to address the challenges of “economy of scale” of production, or cooperation to better manage shipping and other such costs etc.</i> )	1 per sector based over 2 years	Trade Committee/ relevant technical committees - Working Groups
		Support to enhancing e-commerce in Jordan	Y1- set up working group of experts to develop recommendations Y1 put together specific program of work & sources of funding Y2 – implement pilot phase Y3 – review and adjust Tbd	Trade Committee/ relevant technical committees - Working Groups
<b>(3) Facilitate increase US exports to Jordan</b>	<ul style="list-style-type: none"> <li>- Build awareness on opportunities and facilitate business exchanges</li> <li>- Stretching the production value chain (with focus on the best utilization of the FTA RoOs including the 15% cumulation rule that can be</li> </ul>	<p>Organize trade visitation programs (study tours) to facilitate linkages with the US counterparts</p> <hr/> <p>Organize inbound trade missions targeting key industry sectors</p>	<p>No. of events</p> <p>Y1= 1 Y2=2 Y3= 2 Y4=3 Y5= 3</p>	Trade Committee/ relevant technical committees - Working Groups

<b>Pillar:</b>	<b>Trade</b>			
<b>Overall Objective:</b>	Diversifying bilateral trade - exports and imports - and growing the span of cooperation among Jordan-US business entities in their products supply chains.			
<b>Specific objectives:</b>	<b>Programs of Work</b>	<b>Activity</b>	<b>Targets</b>	<b>Responsibility</b>
	used be enhance goods for the US as well as other markets).			

<b>Pillar:</b>	<b>Investment</b>			
<b>Overall Objective:</b>	Support the increase of inward investments from the US as well as support Jordanian outward investment (specifically in the services sector which can open up global markets for Jordan)			
<b>Specific objectives</b>	<b>Programs of Work</b>	<b>Activity</b>	<b>Targets</b>	<b>Responsibility</b>
<b>(1) Help identify investment opportunities for US companies in Jordan</b>	<ul style="list-style-type: none"> <li>- Promote investment opportunities in Jordan (such as infrastructure projects or project identified in Jordan's Investment Map).</li> <li>- Support US companies' expansion of operations to Jordan from a social impact/CSR perspective.</li> <li>- Facilitate growth opportunities for current US investments.</li> <li>- Facilitate establish Jordan as a US market entry hub for the region by: Build awareness on Jordan's value proposition as</li> </ul>	Identify focal point from each members to work together to develop a cooperation network to respond to inquiries from the US and Jordan	Y1 develop work mechanism and meet regularly. Respond on a case by case bases. <i>(Note: a collaboration mechanism will be developed for all Pillars and is intended to strengthen the public-private partnership in support of common objectives to grow trade and investment between Jordan and the US.)</i>	Identify focal point from each members to work together to develop a cooperation network to respond to inquiries
		Providing market information through sector reports and studies,	10 publications (2 annually)	Investment Committee relevant technical committees - Working Groups
			Inward	Outward

<b>Pillar:</b>	<b>Investment</b>				
<b>Overall Objective:</b>	Support the increase of inward investments from the US as well as support Jordanian outward investment (specifically in the services sector which can open up global markets for Jordan)				
<b>Specific objectives</b>	<b>Programs of Work</b>	<b>Activity</b>	<b>Targets</b>		<b>Responsibility</b>
	a regional hub for US investments.	Hold Conferences, business events and conduct broad-based awareness and information campaigns in the targeted states	Y1= 2 Y2=2 Y3= 2 Y4=2 Y5=2	Y1= 4 Y2= 4 Y3=4 Y4=4 Y5=4	Investment Committee relevant technical committees - Working Groups
		Work with Members to explore support mechanisms and identification of tools for investment Media activities	Y1- set up working group of experts to develop recommendations Y1 put together specific program of work & sources of funding Y2 – implement pilot phase Y3 – review and adjust Tbd		Investment Committee relevant technical committees - Working Groups
		National Investment Survey and Jordan Investment Helpdesk	<b>Survey:</b> Y1- set up expert group of experts to develop survey methodology and design (6-month duration) Y1 to Y5 implement survey  <b>Helpdesk:</b> Y2- Y1- set up working group of experts to develop recommendations		JIC supported by the FTA Unit )

<b>Pillar:</b>	<b>Investment</b>			
<b>Overall Objective:</b>	Support the increase of inward investments from the US as well as support Jordanian outward investment (specifically in the services sector which can open up global markets for Jordan)			
<b>Specific objectives</b>	<b>Programs of Work</b>	<b>Activity</b>	<b>Targets</b>	<b>Responsibility</b>
			Y1 put together specific program of work & sources of funding Y2 – implement pilot phase Y3 – review and adjust Tbd	
		Work with partners in the US. (Connect.JO, Embassy and Consulates ) to hold awareness sessions on identifying investment opportunities	Ongoing	Investment Committee relevant technical committees - Working Groups
	Facilitated linkages with Jordanian authorities to facilities such investments	Service as a focal point for US companies	Respond on a case by case bases	
<b>(2) Support US investment into Jordanian firms</b>	- Support Jordanian firm in identifying US investors or partners for growth and expansion opportunities.	Linkages with US business / sector based	Respond on a case by case bases	Investment Committee relevant technical committees - Working Groups FTA
	- Support Jordanian firm in locating and obtaining new processes, methods or technologies to solve industry challenges or increase production efficiency	Linkages with US business / sector based	Respond on a case by case bases	Investment Committee relevant technical committees - Working Groups FTA



<b>Pillar:</b>	<b>Investment</b>			
<b>Overall Objective:</b>	Support the increase of inward investments from the US as well as support Jordanian outward investment (specifically in the services sector which can open up global markets for Jordan)			
<b>Specific objectives</b>	<b>Programs of Work</b>	<b>Activity</b>	<b>Targets</b>	<b>Responsibility</b>
<b>(3) Support Jordanian investment in the US</b>	Build awareness and provide information to on establishment in the US.	Responding to Inquires	Y1 develop work mechanism and meet regularly	Information Platform supported by FTA Unit
		requirement Advise on establishment	Respond on a case by Case bases	
		Advise on services providers (in specific states)		

<b>Pillar:</b>	<b>Policy &amp; Advocacy</b>			
<b>Overall Objective:</b>	Puts in place a public private dialogue platform that seeks to contribute to policy development through supporting the Government in addressing trade and investment impediments and modernization of the local Business Environment.			
<b>Specific objectives</b>	<b>Programs of Work</b>	<b>Activity</b>	<b>Targets</b>	<b>Responsibility</b>
<b>(1) Enhancing the Business Environment</b>	Contributing to the development legislations and administrative processes.	Identify focal point from each members to work together to develop a cooperation network to respond to inquiries from the US and Jordan	Y1 develop work mechanism and meet regularly. Respond on a case by Case bases <i>(Note: a collaboration mechanism will be developed for all Pillars and is intended to strengthen the public-private partnership in support of common objectives to grow trade and investment between Jordan and the US.)</i>	Information Platform supported by FTA Unit

<b>Pillar:</b>	<b>Policy &amp; Advocacy</b>			
<b>Overall Objective:</b>	Puts in place a public private dialogue platform that seeks to contribute to policy development through supporting the Government in addressing trade and investment impediments and modernization of the local Business Environment.			
<b>Specific objectives</b>	<b>Programs of Work</b>	<b>Activity</b>	<b>Targets</b>	<b>Responsibility</b>
		Serve as a platform for dialogue and exchange of ideas: Organizing Policy Dialogues: in Jordan and the US	10 events held (2 annually)  10 papers/notes published (2 annually)	Policy & Advocacy Committee
		Conduct Jordan awareness session for businesses / technical trainings: on trade and investment conditions, modalities and opportunities in Jordan and the US. 10 seminars held (2 annually)	2 Annually	Policy & Advocacy Committee
		Monitoring the overall business environment: Business Environment Survey: Conduct National Survey conducted and analyses 4 (1 annually)	1 Survey Annually (incorporated into the national investment / business survey)  Y2- Conduct Stakeholders Analysis	JIC (supported by the FTA Unit)
		Conduct sector competitiveness studies that benchmarks the Jordanian national economy and competitive sectors against competing countries	Y1= 1 Y2= 2 Y3=2 Y3=2 Y4= 2 Y5=2	FTA Unit : supported by Tijara Coalition members
<b>(2) Overcoming trade and</b>	Support and participate in national measures or programs to	Policy Assistance: responding to request for support by enterprises.	National Inquiry Network	FTA Unit : supported by Tijara Coalition members

<b>Pillar:</b>	<b>Policy &amp; Advocacy</b>			
<b>Overall Objective:</b>	Puts in place a public private dialogue platform that seeks to contribute to policy development through supporting the Government in addressing trade and investment impediments and modernization of the local Business Environment.			
<b>Specific objectives</b>	<b>Programs of Work</b>	<b>Activity</b>	<b>Targets</b>	<b>Responsibility</b>
<b>investment impediments</b>	address investment or export hurdles.	Hold Door knock missions	1 every 2 years	MITS / Tijara Coalition members
		Represent the interests and concerns of TIJARA members through effective advocacy campaign to influencing, shaping and revising new and current economic regulations to increase the competitiveness of domestic sectors.	Targeted Policy reform campaigns: 2 initiates/advocacy companies conducted (1 per 2 years x 2)	Policy & Advocacy Committee: Working Group

## ANNEX (1) TEMPLATE FOR THE ANNUAL WORK PLAN

The role of the Annual Work Plan is to provide detailed information regarding each planned activities that are intended to achieve the specific objective under each pillar of the strategy.

Programs of Work :		<b>Public Private Dialogue Platform</b>						
Pillar:	Activity / Action	Steps	Lead Implementing Org.	Supporting Org.	Start date	End date	Targets	Resources needed
Trade								
Investment								
Advocacy								

Programs of Work :		<b>Missions &amp; Exhibition</b>						
Pillar:	Activity / Action	Steps	Lead Implementing Org.	Supporting Org.	Start date	End date	Targets	Resources needed
Trade								
Investment								
Advocacy								

Programs of Work :		<b>Conferences &amp; Events</b>						
Pillar:	Activity / Action	Steps	Lead Implementing Org.	Supporting Org.	Start date	End date	Targets	Resources needed
Trade								
Investment								

			AmCham	JIC				
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Programs of Work :		Research & Publications						
Pillar:	Activity / Action	Steps	Lead Implementing Org.	Supporting Org.	Start date	End date	Targets	Resources needed
Trade								
Investment								

Programs of Work :		Training & Capacity Building						
Pillar:	Activity / Action	Steps	Lead Implementing Org.	Supporting Org.	Start date	End date	Targets / objective	Resources needed
Trade	(1)							
	(2)							

## ANNEX (2): TIJARA COALITION COMMITTEES CHARTER

<b>Name</b>	: <b>Tijara Coalition Council</b>
<b>Purpose</b>	: To ensure collaborative and comprehensive work
<b>Responsibilities</b>	: <ul style="list-style-type: none"> <li>- Approve Strategy(s)</li> <li>- Approve annual work plans.</li> <li>- Approve annual report</li> <li>- Approve or invite new members</li> <li>- Establish working groups or specialized committees</li> </ul>
<b>Composition</b>	: All Tijara members
<b>Representatives</b>	: Heads of the institutions
<b>Chair</b>	: Minister of Industry trade and supply
<b>Meetings</b>	: 1 annually or as needed
<b>Term</b>	: Ongoing
<b>Reporting</b>	: Publish annual report disseminated in the public domain
<b>Decisions and Recommendations</b>	: <ul style="list-style-type: none"> <li>- Each institution has one vote</li> <li>- Decision are made by consensus or when needed by majority vote</li> </ul>

<b>Name</b>	: <b>Tijara Coalition Executive Committee</b>
<b>Purpose</b>	: To align and articulate the work of the Tijara Coalition
<b>Responsibilities</b>	: <ul style="list-style-type: none"> <li>- Develop Tijara Strategy (s)</li> <li>- Develop the annual work plan</li> <li>- Review &amp; monitor Strategy implementation</li> <li>- Compile the annual report of the Collation activities.</li> <li>- Make recommendations</li> <li>- Commission studies or reports etc.</li> </ul>
<b>Composition</b>	: 11 members, composed of representatives from: <ul style="list-style-type: none"> <li>- MITS</li> <li>- JIC</li> <li>- ASEZA</li> <li>- US Embassy</li> <li>- JCC</li> </ul>

		<ul style="list-style-type: none"> <li>- ACC</li> <li>- ICC</li> <li>- JCI,</li> <li>- ACI</li> <li>- ZCI</li> <li>- AmCham</li> </ul>
<b>Nomination of Representatives</b>	:	<ul style="list-style-type: none"> <li>- Each institution will name its representatives to the committee.</li> <li>- Each institution can nominate up to 2 representatives</li> </ul>
<b>Chair</b>	:	Secretary General, MITS
<b>Meetings</b>	:	2 annually or as needed
<b>Term</b>	:	On going
<b>Reporting</b>	:	2 biannual reports sent to the Council
<b>Decisions and Recommendations</b>	:	<ul style="list-style-type: none"> <li>- Each institution has one vote</li> <li>- Decision are made by consensus or when needed by majority vote</li> </ul>

#### Pillar Committees

<b>Name</b>	:	<b>Trade Committee</b>
<b>Purpose</b>	:	To oversee and coordinate and ensure the proper implementation of programs of work and activities
<b>Responsibilities</b>	:	<ul style="list-style-type: none"> <li>- Monitor, review and re-direct the work plan.</li> <li>- Prioritize sectors/ products and regions.</li> <li>- Identify internal/external sources for financing Tijara activities.</li> <li>- Design and implement sector specific support activities</li> <li>- Commission studies/reports and communications material.</li> <li>- Establish Technical Committees, nominate members and set its scope of work.</li> <li>- Set up working Groups. nominate members and set its scope of work.</li> </ul>
<b>Composition</b>	:	13 members, composed of representatives from: <ul style="list-style-type: none"> <li>- MITS</li> </ul>

		<ul style="list-style-type: none"> <li>- JEDCO/JIC</li> <li>- ASEZA</li> <li>- JCC</li> <li>- ACC</li> <li>- JCI</li> <li>- ACI</li> <li>- ZCI</li> <li>- ICC</li> <li>- US Embassy</li> <li>- AmCham</li> <li>- 2 Strong Enterprises exporting to the US</li> </ul>
<b>Nomination of Representatives</b>	:	<ul style="list-style-type: none"> <li>- Each institution will name its representatives to the committee.</li> <li>- Each institution can nominate up to 3 representatives</li> <li>- Selection of enterprises will be nominated by the member institutions and they will be invited to join the committee</li> </ul>
<b>Chair</b>	:	A Chair and Vic Chair are elected by the members
<b>Meetings</b>	:	4 annually or as needed
<b>Term</b>	:	4 years
<b>Reporting</b>	:	4 report send to the Executive Committee
<b>Decisions and Recommendations</b>	:	<ul style="list-style-type: none"> <li>- Each entity has one vote</li> <li>- Decision are made by consensus or when needed by majority vote</li> </ul>

<b>Name</b>	:	<b>Investment Committee</b>
<b>Purpose</b>	:	To oversee and coordinate and ensure the proper implementation of programs of work and activities
<b>Responsibilities</b>	:	<ul style="list-style-type: none"> <li>- Monitor, review and re-direct the work plan.</li> <li>- Prioritize sectors/ products and regions.</li> <li>- Identify internal/external sources for financing Tijara activities.</li> <li>- Design and implement market specific interventions</li> <li>- Commission studies reports and communications material.</li> </ul>



		<ul style="list-style-type: none"> <li>- Establish technical Committees, nominate members and set its scope of work.</li> <li>- Set up working Groups. nominate members and set its scope of work</li> </ul>
<b>Composition</b>	:	9 members, composed of representatives from: <ul style="list-style-type: none"> <li>- JIC</li> <li>- ASEZA</li> <li>- US Embassy</li> <li>- JCI</li> <li>- JCC</li> <li>- AmCham</li> <li>- 3 Private Sector (American investors/business persons)</li> </ul>
<b>Nomination of Representatives</b>	:	<ul style="list-style-type: none"> <li>- Each institution will name its representatives to the committee.</li> <li>- Each institution can nominate up to 3 representatives</li> <li>- Selection of investors will be nominated by the member institutions and they will be invited to join the committee</li> </ul>
<b>Chair</b>	:	A Chair and Vic Chair are elected by the members
<b>Meetings</b>	:	4 annually or as needed
<b>Term</b>	:	4 years
<b>Reporting</b>	:	4 report send to the Executive Committee
<b>Decisions and Recommendations</b>	:	<ul style="list-style-type: none"> <li>- Each entity has one vote</li> <li>- Decision are made by consensus or when needed by majority vote</li> </ul>

<b>Name</b>	:	<b>Policy &amp; Advocacy Committee</b>
<b>Purpose</b>	:	To provide a platform for public private dialogue To contribute to the formulations of polices and legislative instrument or programs and measure by providing information and analysis
<b>Responsibilities</b>	:	<ul style="list-style-type: none"> <li>- Organizing Policy Dialogues.</li> <li>- Contribute to the formulation of recommendation for the moderation of legislation or processes.</li> </ul>

		<ul style="list-style-type: none"> <li>- Commission studies reports and communications material.</li> <li>- Establish technical Committees, nominate members and set its scope of work.</li> <li>- Set up working groups. nominate members and set its scope of work.</li> </ul>
<b>Composition</b>	:	7 members, composed of representatives from: <ul style="list-style-type: none"> <li>- MITS</li> <li>- JIC</li> <li>- AmCham</li> <li>- JCI</li> <li>- JCC, 2 experts from the private sector (economist/legal/business persons)</li> </ul>
<b>Nomination of Representatives</b>	:	<ul style="list-style-type: none"> <li>- Each institution will name its representatives to the committee.</li> <li>- Each institution can nominate up to 3 representatives</li> <li>- Selection of experts from the private sector will be nominated by the member institutions and they will be invited to join the committee</li> </ul>
<b>Chair</b>	:	A Chair and Vic Chair are elected by the members
<b>Meetings</b>	:	4 annually or as needed
<b>Term</b>	:	4 years
<b>Reporting</b>	:	4 report send to the Executive Committee
<b>Decisions and Recommendations</b>	:	<ul style="list-style-type: none"> <li>- Each entity has one vote</li> <li>- Decision are made by consensus or when needed by majority vote</li> </ul>

ANNEX (3) TEMPLATE FOR CONTACT INFORMATION OF KEY PERSONNEL

Insert committee name						
Organization	Title	Name	Position	Mob. Telephone #	Office #	E-mail

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The American Chamber  
of Commerce in Jordan

**AmCham-Jordan** is a member of the United States Chamber of Commerce. Established in 1999 as a voluntary not-for-profit member-based organization that contributes to economic development through the promotion of US-Jordan trade and investment development, policy advocacy, human resources development and business community outreach.



U.S. - Jordan  
Free Trade Agreement Unit

Based at AmCham-Jordan, the **Free Trade Agreement (FTA) Unit** was established in 2017 with support from the United States Agency for International Development's (USAID) Jordan Competitiveness Program (JCP). The FTA Unit services as Secretariat to the National Tijara Coalition serving Jordanian and American businesses to better understand and utilize the trade and investment opportunities made available under the JUSFTA and the BIT.

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