

Union of Jordanian chambers of commerce

The union of Jordanian chambers of commerce was established previously and undertook its functions in 19 December, 1955 in accordance with law No .41 for the year 1949 of chambers of commerce and industry of Jordan as a representative of the private sector in all economic, trade and service aspects, as well as it is responsible of cooperation and participation, through dialogue, with the private and public sectors in the kingdom, particularly the government departments and Alumah council (council of nation) in order to achieve the economic prosperity and enhance its external economic relations within the public interest .

In the 12th of June, 2003 the provisional law (law of chambers of commerce) no. 70 for 2003 was issued, and accordingly, the Jordan chamber of commerce was established to assume its tasks (functions of previous union of chambers of commerce). The membership of chambers is obligatory .

The main activities of the chamber of commerce of Jordan include achievement of the interest of business community, provision of information, provision advice to members, promotion of economic development, provision of economic statistics and market situations, encouragement of foreign investments and facilitate the international trade .

Objectives of Jordan chamber of commerce :

- Participation with public sector institutions in formulating the policies on trade sector and services including information technology and communications and participation in formulation of necessary strategies and plans .
- Contribution to the efforts aiming at developing and enhancing trade and services including medium and small projects .
- Enhancement of cooperation among chambers of commerce on one hand and between Arab chambers of commerce and the foreign chambers of commerce on the other hand .
- Support the national chambers and coordination their efforts .

- Participation with relevant authorities and holding trade and economic conferences at the local and international efforts .
- Implementation , dissemination and updating of studies and research related to trade and services .
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Benefits and incentives of investment in Jordan

Investment promotion law No.(16) for the year 1995

Investment promotion law No.(16) and its amendments for the year 2000 is considered as appropriate legislative framework for attracting foreign investments and encouraging local investment. It is competitive as it includes benefits , incentives and guarantees for the investment's laws .It provides customs and tax exemptions for the investment's projects .

Sectors that benefit from the Investment Promotion Law are: industry, agriculture, hotels, hospitals, maritime transport and railways, leisure and recreational

compounds, convention and exhibition centers, transport and distribution of water, gas and oil.

Exemption from Custom Duties:

- Fixed assets are exempted from fees and taxes provided that they are imported into the Kingdom for the use of the project exclusively. These assets include: the machinery, equipment and supplies used in the project including furniture and equipment for hotels and hospitals.
- Imported spare parts for the project shall be exempted from fees and taxes provided that their value does not exceed 15% of the value of the fixed assets for which they are required.
- Fixed assets required for the expansion, development and modernization of the project shall be exempted from fees and taxes if such expansion, development or modernization shall result in an increase in the production capacity of the project by no less than 25%
- Hotel and hospital projects shall be granted exemption from fees and taxes once every seven years for the purchase of furniture and supplies required for modernization and renewal
- Any increase in the value of fixed assets which are imported for the project shall be exempted from fees and taxes, if such an increase is a result of a rise in the price of such assets in the country of origin, a rise in freight charges applicable thereto, or of changes in exchange rate.

- exemptions from income tax and social services

-The project falls within the sectors or sub-sectors mentioned above has the following exemptions and facilities:

25% if the project is a class A of development in the region.

50% if the project is a Class B regional development.

75% if the project is a class C development area.

The period of exemption based on the decision of the Committee (10) ten years from the date directly to work in service projects, or directly from the date of production for industrial projects. the committee granted an additional exemption if it has been expansion of the project or develop or update that lead to increase its productivity. The period of the additional exemption for one year for every increase in production capacity of not less than 25% and a maximum of four years.

Investment Guarantees

- The different laws governing investment in Jordan offer equal treatment to both Jordanian and non-Jordanian investors, thus allowing the non-Jordanian investor to own any project in full or part, or to engage in any economic activity in the Kingdom.
- The minimum rate for the non-Jordanian investment may not be less than fifty thousand Jordanian Dinars (JD 50.000) except for participation in public shareholding companies.
- The investor has the right to manage the project in the manner he/she deems appropriate, and through the person(s) chosen by the investor for this purpose.
- The non-Jordanian investor shall be entitled to remit abroad without delay, and in a convertible currency, the invested capital together with any returns and profits accrued, the proceeds of liquidation of the investments as well as the proceeds of the sale of all or part of the project.
- Non-Jordanian technicians and administrators working in any project may transfer their salaries and remuneration abroad.
- Investment disputes between an investor of foreign capital and Jordanian governmental agencies shall be settled amicably. If no amicable settlement can be reached within a period not exceeding six months, either party may resort to litigation or may refer the dispute to the International Center for the Settlement of Investment Disputes (ICSID)
- Any investor whose investment is guaranteed by his country or by an official agency thereof, may assign to that country or agency any returns on his investment or other compensation to which he is entitled.
- With approval of the Incentives Committee, the investor may re-export the exempted fixed assets.
- With approval of the Incentives Committee, the investor may sell the exempted fixed assets or relinquish them to another investor or project not covered by the provisions of this law .

Sources : ASSECAA's questionnaire filled by Jordan

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