

***Law No. (16) of 1995***  
***And its amendments for the year 2000***  
***The Investment Promotion Law***

- Article (1)** This Law shall be named “The Investment Promotion Law of 1995”, and shall come into effect as of the date of its publication in the Official Gazette<sup>(1)</sup>.
- Article (2)** Wherever used in this Law, and unless the context otherwise provides, the following terms and expressions shall have the meaning ascribed there to hereunder:
- \* **The Council:** The Higher Council for Investment Promotion formed pursuant to this Law.
  - \* **The Corporation:** The Jordan Investment Board established pursuant to this Law.
  - \* **The Board:** The Board of Directors of the Corporation.
  - \* **The Minister:** The Minister of Industry and Trade.
  - \* **The Committee:** The Investment Promotion Committee formed pursuant to this Law.
  - \* **The Director General:** The Director General of the Jordan Investment Board.
  - \* **The Project:** Any economic activity to which the provisions of this Law and Regulations and Instructions issued hereunder shall apply.
  - \* **Fixed Assets:** The machinery, apparatus(es), equipment, supplies and tools to be exclusively used in the Project, and the furniture and supplies for hotels and hospitals.

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(1) This Law was published in the Official Gazette issue No.(4075) dated 16/10/1996, and amended in the Law No. (13) of 2000 published in the official Gazette issue No. (4423) dated 2/4/2000.

- \* **Fees:** Import Fees, Custom Duties and other fees imposed on Fixed Assets Items in accordance with the applicable laws, with the exception of Municipal Fees.
- \* **Taxes** Taxes imposed on Fixed Assets Items pursuant to the applicable laws, with the exception of Municipal Taxes.
- \* **The Investor:** The natural or legal person investing in the Kingdom in accordance with the provisions of this Law.
- \* **Production Capacity:** The designed or occupancy capacity of the Project.

- Article (3)**
- a) Any project falling within the following Sectors or Sub-sectors shall enjoy the exemptions and facilities provided by this Law:
    1. Industry
    2. The Agriculture Sector (without prejudice to any privileges provided by other laws).
    3. Hotels.
    4. Hospitals.
    5. Maritime Transport and Railways.
    6. Any other Sector or subsectors the Council of Ministers decide to add upon the Council's recommendations. <sup>(1)(2)</sup>
  - b. The Council of Ministers may, upon recommendation of both the Minister and the Committee, offer any project established within the Sectors mentioned in this Law incentives or guarantees or other privileges for the number of years the Council of Ministers sees fit according to the nature of the project's activity, its geographic location, its contribution to increasing exports, creating jobs, exploiting national natural resources and accelerating economic development, in special cases and due to considerations determined by the Council of Ministers, and to be of national interest.

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(1) The following two subsectors were added by virtue of the resolution of the Council of Ministers dated 28/10/1997: **a.** Leisure and Recreational Compounds **b.** Conventions and Exhibition Centers.

(2) The following sector has been added by virtue of the resolution of the Council of Ministers dated 28/5/2002:

"Pipeline transportation and distribution services for water, Gas and Petroleum derivatives as well as its exploitation"

- Article (4)**
- a. For the purposes of this Law, the (geographical) areas which enjoy tax exemptions are classified into three development areas (A,B,C); subject to the degree of the economic development of such areas in each of the Sectors listed in Article (3) of this Law, pursuant to a regulation to be issued for this purpose.
  - b. The Subsectors and the investment activities listed in paragraph (a) of this Article, along with the eligibility conditions for the enjoyment of the privileges provided by this Law in each of the development areas designated hereunder, shall be specified in a regulation to be issued for this purpose.

- Article (5)**
- For the purposes of this Law, the expression: “Invested Foreign Capital” shall mean money invested in the Kingdom by a non-Jordanian, cash or in kind, or any rights having a financial value, including the following:
- a. Cash transferred to the Kingdom via licensed banks and financial companies which is invested for the purposes of this Law.
  - b. The imported assets in kind whose cost has been paid from outside the Kingdom.
  - c. Profits, returns and reserves resulting from investing Foreign Capital in the Project, provided that such profits, returns or reserves are used to increase the capital of the Project or are invested in another Project covered by the provisions of this Law.
  - d. Intangible rights such as licenses, patents, trademarks and trade names registered in the Kingdom.

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

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

**Article (7)**

- a. By a decision of the Committee, the Project that falls within one of the Sectors or Subsectors listed in Article (3) of this law shall be exempted from income and social services taxes, by the following percentages in accordance with the development area applicable thereto:  
 25% if the Project is in a class A development area.  
 50% if the Project is in a class B development area.  
 75% if the Project is in a class C development area.  
 The Exemption period upon the committee's decision shall be (10) ten years starting from the date of commencement of work for services projects, or from the date of commencement of production for manufacturing projects.
- b. The Committee shall grant an additional exemption if the Project has been expanded, developed or modernized with the result of increasing its Production Capacity. The additional exemption period shall be for one year per each increase in production capacity not less than 25%, and for a maximum of four years.

**Article (8)**

Projects in the Hotel and Hospital Sectors shall be granted additional exemptions from Fees and Taxes once every seven years for their purchases of furniture and supplies required for modernization and renewal, provided that such items are imported into the Kingdom or used in the Project within four years from the

date of the Committee's decision approving the list of purchases and their quantities.

**Article (9)** If the Project is transferred from one development area to another during the granted exemption period, then for the purposes of the exemption, and provided that the Jordan Investment Board is (duly) notified (of the transfer), the Project shall be afforded, for the remaining period of the exemption, the same treatment as Projects located in the (new development) area to which the Project has been transferred.

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

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

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

b. The Council shall hold its meetings whenever the need arises,

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

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

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

**Article (13)**

- a. According to the provisions of this law, a corporation named "The Jordan Investment Board (JIB)", shall be established which enjoys a legal personality with financial and administrative independence. Thus, the JIB may carry out all legal acts such as concluding contracts, acquiring movable and immovable property, borrowing, selling, mortgaging and accepting donations and grants. The Jordan Investment Board shall be represented in legal matters and judicial proceedings pertaining to or arising from its activities by the General Civil Lawyer or by any registered lawyer appointed by the JIB.
- b. The JIB shall have a director General appointed by a decision of the Council of Ministers, upon a recommendation by the Minister; provided that the decision is endorsed by a Royal Decree.
- c. The headquarters of the JIB shall be in the city of Amman. The JIB may establish branches in any place within or outside the Kingdom.

**Article (14)** The JIB shall aim at promoting investment in the Kingdom by

carrying out the following:

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

**Article (15)** The JIB shall have an independent annual budget, and its funds shall be constituted of the following sources:

- a. Funds allocated by the Government.
- b. Returns of services rendered by the JIB and other revenue received thereby.
- c. Local or foreign loans, provided that the Council of Ministers approves the foreign loans.
- d. Profits on the JIB's funds.
- e. Grants, aids, gifts, and wills or other funds offered to the JIB and approved by the Council.

**Article (16)**

- a. The financial year of the JIB shall start on the first of January of each year and shall end on the thirty first of December of the same year.
- b. Within the four months following the end of its financial year, the JIB shall prepare a comprehensive report on its activities, accompanied by its final accounts certified by the auditors, and shall submit such report to the Board for approval.

- c. In organizing its accounts and records, the JIB shall pursue the principles and basis of commercial accounting.

**Article (17)**

- a. The Jordan Investment Board shall be managed by a Board of Directors chaired by the Minister. The Board shall be formed pursuant to a decision of the Council with a number from the Council's members not exceeding (7) seven, provided that the Director General is among them. The Board shall select one of its members to be a Deputy Chairman.
- b. Whenever the need may arise, the Board shall convene pursuant to an invitation from the Chairman. The Board meeting shall be considered legal if it is attended by the majority of members, provided that the Chairman, or Deputy Chairman, in the case of the Chairman's absence, is present. The Board shall reach its decisions unanimously or by a majority vote. In the event of equal votes the side supported by the chairman of the meeting shall prevail.
- c. The Chairman of the Board may invite any expert and specialized person to attend the Board's meetings to offer consultations on the subject presented thereto without such person being entitled to vote.
- d. The remuneration of the members of the Board shall be determined by the Council's decision and shall be paid according to the number of meetings attended by the relevant member.
- e. The Chairman of the Board shall appoint one of the JIB's staff as secretary to the Board, in accordance with the Director general's recommendation. The secretary shall be responsible for organizing the administrative work of the Board, recording its resolutions and obtaining the signatures of the Chairman of the meeting and the other members on such resolutions.

**Article (18)**

- The Board shall carry out the duties and assume the authorities provided for in this Law including the following:
- a. Supervising and following up the administrative affairs of the JIB.
  - b. Suggesting the investment policies of the Kingdom, determining its priorities, setting programs and plans, determining and submitting them to the Council for approval.



- c. Approving the JIB's budget, the auditors' report and the final financial statements.
- d. Approving the financial and administrative instructions of the JIB.
- e. Determining returns of services rendered by the JIB.
- f. Appointing licensed auditors for the JIB and determining their fees.
- g. Establishing branches of the JIB anywhere within or outside the Kingdom.

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

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

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

**Article (21)**

- a. A Committee named "The Investment Promotion Committee" shall be formed. The Committee shall be chaired by the Director General, and with the membership of :
  - 1. The Director General of the Income Tax Department.
  - 2. The Director General of the Customs Department.
  - 3. A Representative of the Ministry of Industry and Trade appointed by the Minister.
  - 4. A representative of the private sector appointed by the Chairman of the Council.
- b. In the absence of the Committee's Chairman, the Director General of the Customs Department shall assume the chairmanship of the Committee.

- c. The Committee shall convene pursuant to an invitation from its Chairman. The meeting shall be considered legal if four of its members are present, including the Chairman. The committee shall reach its decisions by a majority vote of three of its members.
- d. The Director General may invite one or more persons from any entity from the relevant sector to attend the Committee's meetings in order to provide advice on the matter presented thereto, without such person being entitled to vote.
- e. The Director General shall appoint one of the JIB staff to carry out the duties as secretary to the Committee to record and follow-up the Committee's decisions.

**Article (22)** The Committee shall carry out the duties and assume the authorities stated in this Law including the following:

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

**Article (23)** In the event that all or part of the exempted Fixed Assets have been sold in a manner contrary to the provisions herein, or have not been used in the Project, or have been used for purposes other than as declared, the due taxes, fees and fines shall be imposed on the Project in accordance with the provisions of the laws and regulations in force.

**Article (24)** Subject to the provisions of other Laws:

- a. The Non-Jordanian Investor may invest in the Kingdom through ownership or partnership or shareholding, in accordance with the provisions of a regulation to be issued for this purpose. Said regulation shall clarify the project sectors or subsectors thereof in which the foreign Investor may invest and the maximum percentage of ownership and the minimum Foreign Capital allowed therein.

- b. Subject to the provisions of paragraph (a) above, the Non-Jordanian Investor investing in any Project governed by this Law shall be afforded the same treatment as the Jordanian Investor.
- c. The Investor has the right to manage the Project in the manner he deems appropriate and through the person(s) chosen by the Investor for its management. The competent authorities shall provide the required facilities.

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

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

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

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

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

after paying the fees and taxes due on such Fixed Assets.

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

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

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

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

- Article (32)**
- a. The provisions of “The Investment Agreement of Arab Capital and their Transfer between Arab States” and the provisions of all treaties concluded with Arab States and their amendments shall be taken into consideration with respect to Arab Capital invested in accordance with the provisions of this Law.
  - b. Any Investor, whose investment is guaranteed by his country or by an official agency thereof, may assign to that country or agency any returns on his investment or other compensation to which he is entitled, so that the country or agency subrogates him.

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

**Article (34)** It shall be permissible to register mortgages on equipment and machinery that are part of the Fixed Assets of any Project as security for extended credit facilities. For the purposes of

Implementing the provisions of this Article, the JIB shall, pursuant to instructions issued for this purpose by the Board and published in the Official Gazette, maintain an industrial register listing the equipment and machinery for every Project.

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

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

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

**Article (38)** The following are cancelled:

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

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

***Regulation No.(54) for the Year 2000  
Regulating Non-Jordanian Investments Regulation  
Issued Pursuant to Article (24) of the  
Investment Promotion Law No. (16) for the Year 1995***

- Article (1)** This Regulation shall be named the “Regulating Non-Jordanian Investments Regulation for the year 2000”, and shall come into force thirty days after its publication in the Official Gazette<sup>(1)</sup>
- Article (2)** In the cases not mentioned in Articles (3) and (4) of this Regulation which specify the percentage of non-Jordanian ownership or participation in the sectors and activities cited therein, the non-Jordanian investor may own any project wholly or partially or may participate in it in any percentage.
- Article (3)** The Non-Jordanian investor ownership shall not exceed (50%) fifty percent of the capital of any project in the following sectors and activities:
- a. The Following commercial activities:
    1. Purchase of goods and other movable tangibles for purposes of leasing or renting for re-leasing thereof, including machinery and equipment, transport vehicles and other transport equipment, rent a car, aircraft (without operator) and ships, excluding financial leasing services conducted by banks, financial companies and insurance companies.
    2. Purchase of goods and other movable tangibles for purposes of selling with profits.
    3. Wholesale trade and retailing.
    4. Import and export excluding importation up till the Kingdom’s border outlets.
    5. Distribution of goods and services within the Kingdom including distribution of audiovisual works.

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(1) This Regulation was published in the Official Gazette issue No. (4465) dated 16/11/2000.

6. Supply services excluding food catering that is not conducted by restaurants, cafes and cafeterias, without prejudice to the provisions of item (12) of paragraph (B) of this Article.
- b. The Following services:
1. Engineering services, including all engineering categories, urban planning and landscape architectural services.
  2. Construction contracting including construction services and related engineering services.
  3. Technical testing services concerning soil tests and geotechnical testing for construction purposes.
  4. Maintenance and repair services of land transport equipment.
  5. Maintenance and repair services of radio and television transmitters and broadcast equipment.
  6. Photographic services including photocopying services and excluding motion picture and television photography services.
  7. Placement and supply services of personnel.
  8. Brokerage services excluding financial brokerage and intermediaries conducted by banks, financial companies and financial services companies.
  9. Advertising services including advertising agencies and firms.
  10. Commercial agents and intermediary services and insurance agents.
  11. Money exchange services excluding those provided through banks or financial companies.
  12. Restaurants, cafes and cafeterias excluding those that are provided within hotels, motels, and on board of ships and trains.
  13. Travel Agencies and tour operators services (tourist and travel bureaus).
- c. The following transport services:
1. Maritime transport and auxiliary services, including:
    - Passenger and freight transportation excluding transportation over ships owned by non-Jordanians.
    - Maritime survey and inspection.
    - Maritime freight forwarding.
    - Shipping agents' services.
    - Ships handlers.
    - Ships brokers.
    - Ships management services.

2. Air transport auxiliary services, including:
  - Ground Handling.
  - Freight Inspection.
  - Packing and unpacking.
  - Air Cargo Agents.
  - Freight Forwarders.
  - Cargo Terminals and Stores.
  - Excluding :
  - Engine Overhaul.
  - Airports duty-free shops.
  - Simulators Training
  - Computer Reservation System (CRS).
3. Rail transport auxiliary services, including:
  - Cargo handling.
  - Inspection.
  - Packing and unpacking.
  - Storage & warehouse services.
  - Freight transport agency services.
  - Cargo Agents services.
 Excluding:
  - Passenger and freight transportation.
  - Pushing and towing services.
  - Supporting services for rail transport such as rail passenger terminal services.
4. Road transport services, including:
  - Specialized tourist transportation services.
  - Supporting services of road transport such as bus station services, parking services, services related to operating subways, bridges and highways.
  - Auxiliary services to road transport including cargo handling services, storage and warehousing services, freight transport agency services, inspection services, packing and unpacking services and freight forwarders services.
- d. Clearance services in cases where such clearance is linked to any of the services provided for in Paragraph (c) of this Article.

**Article (4)** The Non-Jordanian investor ownership shall not exceed (49%) forty nine percent of the capital of any project in the following sectors and activities:



- a. Scheduled and non-scheduled passenger, freight and mail air transport services.
- b. Rental services of aircraft with operator.

**Article (5)** The non-Jordanian ownership or participation in any of the sectors or activities not listed in Articles (3) and (4) of this Regulation, or the ones that are excluded therefrom, shall not be restricted unless the concerned legislation restricts such ownership or participation.

**Article (6)** Non-Jordanian investors are not allowed to own or to participate, wholly or partially in any of the following projects or activities.

- a. Passenger and freight road transportation services including taxi, bus and trucks services.
- b. Quarries for natural sand, dimension stones, aggregates and construction stones used for construction purposes.
- c. Security and investigation services.
- d. Sports clubs including the organization of sports events services, excluding health fitness clubs services.
- e. Clearance services, without prejudice to paragraph (D) of Article (3) from this Regulation.

**Article (7)** Subject to the provisions of this Regulation, the non-Jordanian investment shall not be less than (JD50,000) fifty thousand Jordanian Dinars or the equivalence thereof, with the exception of participating in public shareholding companies.

**Article (8)** The Council of Ministers may upon the recommendation of the Higher Council for Investment Promotion permit the ownership or participation in big development projects that enjoy special importance for any non-Jordanian investor in higher percentages than is provided by this regulation and according to the percentage in the Council's decision.

**Article (9)** The Minister may issue the necessary instructions for the implementation of the provisions of this Regulation.

**Article (10)** The Non-Jordanian Investment Promotion Regulation No. (39) for the year 1997 and its amendment shall be annulled.

***Regulation No. (2) of 1996***  
***The Regulation of the Investment Areas***  
***And Sectors Issued pursuant to Article (4)***  
***Of the Investment Promotion Law No. (16) of 1995***

- Article (1)** This Regulation shall be named “The Regulation of the Investment Areas and Sectors” of 1996 and shall come into effect as of the date of its publication in the Official Gazette. <sup>(1)</sup>
- Article (2)** Whenever used in this Regulation, and unless the context otherwise provides, the following terms shall have the meanings ascribed thereto hereunder:
- **The Law:** The Investment Promotion Law in force.
  - **The Committee:** The Investment promotion Committee formed in accordance with the provisions of the Law.
- Article (3)**
- a. Subject to the provisions of paragraphs (c) , (d) and (f) of this Article, the Kingdom shall be divided for the purposes of ascertaining the development areas which shall enjoy the tax exemptions in accordance with the schedule shown below. The applicable administrative divisions system in force shall be relied upon to determine these development areas.
  - b. All areas of the Kingdom shall be classified under zone (c) for the sectors of Agriculture and Maritime Transport and Railways.
  - c. The Shore of the dead Sea area, with a 5 km depth from the sea line shall be classified under zone (A) for the hotel sector.
  - d. The provisions of paragraph (a) of this Article shall not be applicable to conservatories and environmental protection areas that already exist or will be established.
  - e. Leisure and Recreational Compounds, Convention and Exhibition Centers will be classified under category (A).
  - f. The Qualified Industrial Zones (QIZs) shall be classified under zone (B) unless already located under zone (C).

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(1) This Regulation was published in the Official Gazette issue No. (4095) dated 16/1/1996, and amended in the Regulations No. (27) of 1997 published in issue No. (4205) of the Official Gazette dated 17/5/1997, and amended in the Regulation No. (60) of 1997 published in issue No. (4241) in the Official Gazette dated 16/11/1997, and amended by Regulation No. (88) of 2001 published in issue No. (4515) of the Official Gazette dated 1/11/2001.

## The Schedule

The Governorate	District	Industry	*Hotels	Hospitals	Agriculture & Maritime Transport & Railways	Leisure and Recreational Compounds + Conventions and Exhibition Centers
The Capital	Amman Kasba	A	A	A	C	A
	Ras Al-Ain	A	B	A	C	A
	Marka	A	C	B	C	A
	Qweismeh	A	C	C	C	A
	University	A	A	A	C	A
	Wadi Al-Seer	A	A	B	C	A
	Marj Al-Hamam	A	C	B	C	A
	Iraq Al-Amir	A	C	B	C	A
	Remaining Districts	A	B	B	C	A
	Aljizah	B	C	C	C	A
	Umm Al-Rassas	C	C	C	C	A
	Al-Qunaitrah	C	C	C	C	A
	Dhab'ah	C	C	C	C	A
	Al-Amiriyya	C	C	C	C	A
	Zmeileh	C	C	C	C	A
	Sahab	A	C	C	C	A
	Muwagar	B	C	C	C	A
	Na'our	A	C	C	C	A
	Hisban	B	C	C	C	A
Irbid	Irbid Kasba	B	B	C	C	A
	Remaining Districts	B	C	C	C	A

\* For a hotel to obtain the exemption specified in the Law, the Project should not be classified less than three starts in zone (A).

## The Schedule

The Governorate	District	Industry	*Hotels	Hospitals	Agriculture & Maritime Transport & Railways	Leisure and Recreational Compounds + Conventions and Exhibition Centers
Balqa	Salt Kasba	B	C	C	C	A
	Deir-Allah	C	C	C	C	A
	South Shouneh	C	C	C	C	A
	Ain Al-Basha	A	C	C	C	A
Karak	All Districts	C	C	C	C	A
Ma'an	Wadi Mousa	C	A	C	C	A
	Remaining districts	C	C	C	C	A
Zarqa	All Districts	A	C	C	C	A
	Al-Azraq	B	C	C	C	A
	Berain	B	C	C	C	A
	Al-Hashemiyeh	B	C	C	C	A
	Ad Dulayl	C	C	C	C	A
	Qasr Al-Hallabat	C	C	C	C	A
Mafraq	All Districts	C	C	C	C	A
Tafileh	All Districts	C	C	C	C	A
Madaba	Madaba Kasba	B	C	C	C	A
	Dhiban	C	C	C	C	A
Jerash	All Districts	C	C	C	C	A
Ajloun	Ajloun	C	C	C	C	A
Aqaba	Aqaba Kasba	C	C	C	C	A
	Qwairah	C	C	C	C	A

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

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