

Hotspot Guide

Jordan

A Sample of what's on Offer

Hot Spot

Introduction



Why Invest in Jordan?

Investment in industry, agriculture, hotels, hospitals, maritime transport, railways, leisure and recreational compounds, convention and exhibition facilities, oil and gas production.

Foreign investors can hold total ownership in projects, minimum required investment being approximately 63,000 Euros.

However, foreign ownership cannot exceed 50 percent for construction and commercial services



Fast Facts:

- **Location:** Jordan is bounded in the North by Syria, East by Iraq, South-East and South by Saudi Arabia and west by Israel. It has an outlet to an arm of the Red sea
- **Capital City:** Amman
- **Climate:** Hot, dry, uniform summers and cool, freezing variable winters
- **Average Temperature:** 18°C.
- **Total Land Area:** 92,300 km²
- **Official Language:** Arabic
- **Total Population:** 6,342,948
- **Population Density:** 64/km²
- **Major Religion:** Sunni Muslims,
- **Currency:** Jordanian dinar
- **GDP:** \$31.112 billion
- **GNI per capita:** \$5,400
- **Inflation:**
Jordan's Finance Minister has said the country's inflation rate is likely to climb to its highest level in 18 years in 2008, reported Bloomberg.
He said inflation will accelerate to between 8% and 9% from 5.4% last year, while the economy will grow about 6% this year, driven by infrastructure projects and foreign direct investment.
- **Annual Growth:** 19%
- **Main Exports:** Phosphates, Fertilisers, Agricultural Products
- **Main Sources of Income:** Taxes and Tourism
- **Unemployment:** 15.7%
- **Population below Poverty Line:** 14.2%
- **Literacy:** 90%
- **Life Expectancy:** 71 years (men), 74 years (women)
- **Time Zone:** UTC+2
- **Internet Domain:** jo
- **International Dialling Code:** 962



Geography

- Jordan is situated in Southwest Asia, northwest of Saudi Arabia.
- Jordan is landlocked except at its southern extremity, where nearly twenty-six kilometers of shoreline along the Gulf of Aqaba provide access to the Red Sea.
- A great north-south geological rift, forming the depression of Lake Tiberias (Sea of Galilee), the Jordan Valley, and the Dead Sea, is the dominant topographical feature.



Economy

- Jordan's economic resource base centers on phosphates, potash, and their fertiliser derivatives; tourism; overseas remittances; and foreign aid.
- These are its principal sources of hard currency earnings. Lacking forests, coal reserves, hydroelectric power, or commercially viable oil deposits, Jordan relies on natural gas for 10% of its domestic energy needs.

Politics

- Politics of Jordan takes place in a framework of a parliamentary monarchy, whereby the Prime Minister of Jordan is head of government, and of a multi-party system.
- Jordan is a constitutional monarchy based on the constitution promulgated on January 8, 1952.
- Executive authority is vested in the king and his council of ministers.
- The king signs and executes all laws. His veto power may be overridden by a two-thirds vote of both houses of the National Assembly.
- He appoints and may dismiss all judges by decree, approves amendments to the constitution, declares war, and commands the armed forces. Cabinet decisions, court judgments, and the national currency are issued in his name.
- The council of ministers, led by a prime minister, is appointed by the king, who may dismiss other cabinet members at the prime minister's request.

A Brief Guide to Purchasing Property in Jordan?

- Foreigners are allowed to buy property in Jordan, provided Jordan and the buyer's country of residence have a reciprocal relationship, and that the approval of the Cabinet (Council of Ministers) is obtained.
- Foreigners can only sell the property five years from acquisition. Most properties for rent and for sale can be found in Amman, Jordan's capital city.

Property Market

- Jordan's real estate market prices have continued to rise strongly, with prices rising about 20% over the past year, after rising 10%-30% during the previous year.
- Land prices have risen by 40% over the past year.
- Jordan's economic position has been transformed over the past few years.
- Amman is increasingly seen as a good place to do business, a country which offers stability and security in an otherwise troubled region. Jordan's opening to the sea, Aqaba, is experiencing an enormous investment boom.



Fees and Taxes:

- Real estate taxes paid on rented real estate is treated as tax credit and deducted from the income tax due.
- The 10% real estate tax is levied on 80% of the annual rental income.
- Net rental income is taxed in Jordan. A married couple can file either joint or separate tax returns.
- Income-generating expenses such as repairs, taxes and fees, management costs, and depreciation are deductible from the gross rent.
- However, 15% of the net rental income derived from properties located within Amman greater municipality is exempted from tax. The tax-exempt amount for other areas in the Kingdom is 30% of the net rental income



Hot Spots:

- **Amman:** Amman is a modern Arab city rather than one of the great cultural centres of the Middle East;



- **Aqaba:** The balmy winter climate and idyllic setting on the Gulf of Aqaba, ringed by high desert mountains, make this Jordan's aquatic playground.

