**Investment Opportunities in the Jordanian Industrial Sector**

In the frame of work Jordan Chamber of Industry to attract a new investment that have a potential in European markets. In which Investment pillar is a central pillar in the relaxed rules of origin agreement with the European Union

So it was necessary to study investment opportunities in Jordan and identify priorities of national investment projects including crate and sustainable job opportunities, and has export opportunities in European markets.

Based on JCI analysis and studies, top 6 investment projects were Jordan possesses high attractiveness as an investment destination due to natural and comparative advantages specifically in view of future export potential to the European Union, high added value and has the capacity to generate sustainable job opportunities, are:

**Woven fabrics of combed wool or of fine combed hair:**

|  |  |  |
| --- | --- | --- |
| Sector: Textile and Garment industry | | |
| Product: Woven fabrics of combed wool or of fine combed hair | | HS Code: 511211 |
| EU tariff | | MFN: 8% |
| Preferential: 0% |
| Description of the manufacturing processes & input of production: Wool and hair of animals | | |
| Top 5 EU country that import item: Germany, Italy, Romania, Bulgaria, Portugal | | |
| Top 5 Sources of EU imports of item  (i.e. countries exporting item to the EU): Turkey, China, Chile, India, Japan | | |
| Country | Tariff ( i.e. is there an FTA with the EU | Turkey 0% (CU, EU-Turkey) |
| China 8% (none) |
| Chile 0% (FTA, EU-Chile) |
| India 8% (none) |
| Japan 8% (none) |

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| Jordan Value Proposition in the Textile and Garment Sector:  Generally, countries continue to place modest to high tariff on export of “apparel” items, this in addition to the high consumption and fast pace of this sector, tariff savings do influence investment flows in this sector, where Jordan continues to offer investment incentives and facilitation.  Jordan has a strong apparel manufacturing sector with over 20 years of experience and over 200 factories 85 large factories having 500–2,500 employees, which make up for approximately 95% of Jordan’s current garment exports,[[1]](#footnote-1) much of which goes to the US. As such, Jordan has strong local experience and is well positioned within the manufacturing value chain, and adding these items to Jordan’s basket of manufactured products will enhance the sector’s production base.  The sector is labour intensive and requires a level of skill, attention to detail and energy, and can absorb a high number of female workers, Jordan has a young population (70 percent of which is below 30 years of age) who with the right training and skills development would be ideal workers. Moreover, except for Turkey Jordan is geographically closer to the EU markets which can translate in savings in the shipping costs with the raise of demand.   |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | **Table 10: Estimated Time & Cost of Shipment** | | | | | | | **Port** | | **USD**  **20’** | **USD**  **40’H.Q** | **Routing** | **T. time** | | **Genoa** | | 745 | 1180 | Aqaba – Jeddah – Genoa | 16 days | | **Algeciras** | | 895 | 1580 | Aqaba – Jeddah – Tanger Med - Algeciras | 21 days | | **Rotterdam** | | 705 | 1000 | Aqaba – Jeddah – Rotterdam | 23 days | | **Hamburg** | | 705 | 1000 | Aqaba – Jeddah – Hamburg | 25 days |  |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Port of discharge** | **US$**  **20DV** | **US$**  **40HC** | **T.T** | **S/L** | | **Genoa - Italy** | 610.0 | 1,425.0 | 23 DAYS | MSL | | **Algeciras - Spain** | 1,035.0 | 1,025.0 | 9 DAYS | MSL | | **Hamburg - Germany** | 960.0 | 1,325.0 | 36 DAYS | MSL | | **Rotterdam - Netherlands** | 960.0 | 1,325.0 | 21 DAYS | MSL | | **Source: JIC, 2019** | | | | | |

1. Value Chain Analysis (VCA) Garments, Jordan, Netherlands Enterprise Agency | March 2019 Publication number: RVO-027-1901/CBI-RP [↑](#footnote-ref-1)