



**The American Chamber  
of Commerce in Jordan**



# What does the USJFTA mean for Business?

**Tuesday November 24<sup>th</sup> , 2020**



# USJFTA Historical Overview

- **June 6, 2000**

President Bill Clinton and King 'Abdullah II announce the launch of negotiations for a bilateral free trade agreement

- **October 24, 2000**

U.S.-Jordan FTA signed in Washington D.C.

- **December 17, 2001.**

U.S.-Jordan FTA entered into force

- ✓ America's third (3rd) free trade agreement. The first (1st) with an Arab state.
- ✓ Jordan's second (2nd) free trade agreement.



# USJFTA Provisions



Goods



services



E-commerce



IPRs



Labor Standards



Environmental Standards



Visa Facilitation



Dispute Settlement

# Benefits of the USJFTA

- Enhancing product competitiveness:
  - Removes obstacles (Customs duties and export tariffs, and duty-free trade quotas).
  - Reduces costs.
- Encourage innovation.
- Contribute to development.

## Rules of Origin



# Trade in Goods

## 2001 to 2010

During the first 10 years of the U.S.-Jordan FTA, as a result of the gradual dismantling of virtually all tariffs on traded goods and agricultural products, **two-way trade grew by +300%**

Year	Jordan's Import from the U.S.	Jordan's Exports to the U.S.	Trade balance
1999	275.7	30.7	245.0 (+US -Jo)
2000	316.9	73.3	243.6 (+US -Jo)
2001	339.0	229.2	109.8 (+US -Jo)
2002	404.4	412.4	8.0 (-US+Jo)
2005	644.2	1,266.8	622.7 (-US+Jo)
2010	1,449.7	1,060.5	389.2(+US -Jo)

# Trade in Goods

## 2011 to 2020

- Jordan's U.S. trade continue to increase reaching +800%.
- In Jordan's favor though mainly concentrated in the apparel industry.

Year	Jordan's Import from the U.S.	Jordan's Exports to the U.S.	Trade Balance
2011	1,449.7	1,060.5	389.2 (+US -Jo)
2012	1,766.4	1,155.5	610.8 (+US -Jo)
2013	2,085.0	1,197.3	887.8 (+US -Jo)
2014	2,050.1	1,401.3	648.8 (+US -Jo)
2015	1,359.6	1,491.6	132.0 (-US +Jo)
2016	1,459.0	1,554.7	95.8 (-US +Jo)
2017	1,920.7	1,687.0	233.7 (+US -Jo)
2018	1,581.4	1,813.7	232.3 (-US +Jo)
2019	1,492.7	2,169.8	677.2 (-US +Jo)
2020 (to Sep.)	981.2	1,427.6	446.4 (-US +Jo)

# Trade in Services

U.S. FTA also liberalizes services trade.

Encouraged by:

- Modern intellectual property system and laws.
- Technology Transfer
- Advanced Financial services
- Visa facilitation

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In 2019

Jordan's services exports to the U.S. reach \$654 million	U.S. services exports to Jordan reach \$757 million
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# **AmCham-Jordan's Role in Promoting Trade with the U.S.**



# About AmCham-Jordan



AmCham-Jordan established in 1999. It is an NGO & NPO with 19 years of experience in the promotion of bilateral trade and investment between Jordan and the US.



AmCham-Jordan has over 200 members from Jordan and the U.S. through a multi-sectorial approach to issues of interest.



AmCham –Jordan works through an inclusive process of committees and peer groups, where executives from members participate, meet and establish direct links with their counterparts and policy makers in Jordan and in the U.S.



AmCham-Jordan is a proud member of the U.S. Chamber of Commerce, the largest global and international business organization in the world.



AmCham-Jordan part of the AmCham MENA Council.

# Jordan U.S. Free Trade Agreement Unit Housed at AmCham

- **JUSFTA** was established in **2017** with support from USAID Jordan.
- The **FTA Unit** is a specialized technical assistance arm of AmCham-JO
- The **FTA Unit** serves Jordanian and U.S. businesses to better utilize trade and investment opportunities made available under the JUSFTA and the BIT.
- The **FTA Unit** also services as Secretariat to the National Tijara Coalition.



# National TIJARA Coalition

- Established in 2001, the Coalition is an alliance of key Jordanian businesses & government agencies dedicated to promoting business growth through enhancing the opportunities of the (JUSFTA).
- 34 members from the public and private sector: Government Ministries and Agencies, Chambers of Industry and Commerce and Business Associations.



# Trade Promotion & Diversification Activities



**15**

Training Workshops



**+ 2,000**

Individuals Benefiting from AmCham Conferences and other Activities

**+ 800**

Individuals Benefiting from Capacity Building and Training Workshops



**12**

Individuals Received ToT Program



**14**

Publications



**6**

Guides & Toolkits



**6**

Trade Missions



**4**

Trade Shows



**2**

Partner Search Missions



**25**

Closed Export Deals



**98**

Companies Participated in Trade Shows and Trade Missions



**6**

Conferences in the US

**5**

Conferences in the Jordan



**5**

Strategic Partnership in the US



**+150**

Inquiries Processed by JUSFTA Unit



**+750**

Database of US Companies

# Challenges to Trade Growth

More efforts are needed to diversify and grow Jordan's exports in goods and services to the U.S, through:

- Setting up direct B2B linkages.
- Enhanced trade promotion activities.
- Enterprise marketing, including digital marketing.
- Utilize e-commerce (important to improve women participation in trade)
- Increase products competitiveness.
- Address technical requirement (health and safety standards)
- Source from the U.S. & create value chain integration.

***AmCham-Jordan delivering tangible support tools***

***Thank you  
For your attention***