

Law No. (30) of 2014

The Investment Law

**Article (1):** This Law shall be named (The Investment Law of the year 2014) and shall come into effect as of the date of its publication in the Official Gazette.

**Article (2):** Wherever used in this Law, and unless the context otherwise provides, the following terms and expressions shall have the meaning prescribed hereunder:

- Board: The Board of Investment
- Commission: The Investment Commission
- President: The President of the Commission
- Technical Committee: The Technical Committee formed pursuant to this Law
- Investment Window: The Investment Window established in the Commission pursuant to this Law
- Economic Activity: Any industrial, agricultural, touristic, media, vocational or services, including information technology.
- Investor: The natural or legal person participating in any Economic activity in the Hashemite Kingdom of Jordan in accordance with this Law.
- License: Any permit, approval, authorization, or license issued by the relevant authority to any person to allow for the practice of a specified Economic Activity.
- Official Authority: The commission tasked with the issuance of licenses.
- Authorized Representative: the officer duly authorized by the Official Authority for work in the Investment Window.
- Licensing Guide: The guide prepared by the Commission pursuant to this law, and which contains the conditions for issuing a license, its requirements, procedures and timeline.
- Development Zones: Any area falling within the Kingdom's customs boundaries and which shall be considered a development area under this Law.
- Free Zones: A part of the Kingdom's Territories which is specified and fenced by a separation barrier allocated for the purpose of exercising economic and commercial activities including storing commodities, which shall be considered to be outside of the customs boundaries and the goods and economic activities shall be treated for the purposes of the applicability of this Law, outside the Kingdom.

- Master Developer: the entity which manages any Development Zone or Free Zone in accordance with this Law.
- Registered Entity: the person who is registered with the Commission to exercise Economic Activities in the Development Zone or Free Zone pursuant to the provisions of this Law.

**Article (3):** The provisions of this Law do not apply to the Aqaba Special Economic Zone.

## Chapter One

### Advantages and Incentives outside the Development

#### Zones and the Free Zones

**Article (4):** (a) The provisions of this Article do not apply to entities registered in the Development Zones and the Free Zones.

(b) The Council of Ministers shall, by virtue of the provisions of this Law, issue regulations which contain the following schedules, as well as the conditions for its application, amendment, and the provisions regarding the Technical Committee stated in Article (6) of this Law:

1. Schedule No. (1/a) relating to production imports necessary for the performance of industrial or vocational Economic Activities, which are exempt from customs duties but are subject to general sales tax pursuant to the provisions of the applicable Sales Tax Law in case of importing or buying the goods locally, provided that the Income and Sales Tax Department refunds it within (30) thirty days from the date on which a written request for refund has been submitted. If the Sales Department fails to refund said amounts within the prescribed time, it is required to pay a 9% flat interest rate annually.

2. Schedule No. (1/b) relating to the production imports and schedule (1/c) relating to production requirements and fixed assets and schedule (1/d) relating to production requirements and the fixed assets of dual usage, required for the practice of industrial or

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vocational Economic Activities, which are exempt from customs duties and the general rate applicable to sales stated in the Sales Tax Law is reduced to zero, if imported or bought locally, on the condition that the benefiting body is registered with the Income and Sales Tax Department.

3. Schedule No. (2) relating to the services which are subject to general sales tax by virtue of the Sales Tax Law, which is applicable where they have been imported or bought locally, on the condition the Income and Sales Department returns this paid tax within 30 days from the date on which a written request for refunding has been submitted. If the Income and Sales Tax Department fail to do so within this period, it is required to pay a 9% flat interest rate annually.

4. Schedule No. (3) relating to the goods required for Economic Activities mentioned below and which are exempted from customs duties and subject to general sales tax by zero percent if imported or bought locally:

- 1) Agriculture and livestock
- 2) Hospitals and specialized medical centers
- 3) Hotel and tourism facilities
- 4) Amusement parks and tourist attractions
- 5) Call centers
- 6) Scientific research facilities and scientific labs
- 7) Media and Art production
- 8) Exhibitions and conferences centers
- 9) Transportation, distribution and/ or extraction of water, gas, and petroleum products using Pipe lines.
- 10) Air and maritime transport and railways.

**Article (5):** Notwithstanding anything contained under the applicable Income Tax Law, the due income tax shall be reduced in the least developing areas in the Kingdom for industrial and vocational Economic Activities and the Economic Activities mentioned in section (4) of Sub-clause (b) of Article (4) of this Law shall be reduced by no less than 30%, and this governed by regulations issued for this purpose:

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- a. The areas that enjoys income tax reduction and each area's category depending on its economic development
- b. The Economic Activities excluded from benefitting from the income tax reduction.
- c. The percentage of reduction to be enjoyed by the Economic Activity based on the area in which its being practiced.
- d. The foundations, criteria, and terms for benefitting from the reduction in the income tax.
- e. The time period for which the tax reduction is applied.
- f. Foundations, criteria and proceedings for extending the time period for the benefit from the income tax reduction.

**Article (6):** In addition to what has been stated in Article (4) sub-clause (b), the regulation shall include the following:

- a. The foundation of forming the Technical Committee and all other issues relating thereto, and the criteria which must be adhered.
- b. The Foundation for the benefit of the Economic Activities from the advantages and exemptions stated in Article (5), schedule (1/d) and schedule (3) stated in Article (4) of this Law, including the basis for benefitting from the exemptions for a Second time if the Economic Activity has been expanded, developed or updated, and the procedures which the Technical Committee must follow in relation to the applications submitted by the Economic Activity.

**Article (7):** If it was shown that any of the goods or services included in the schedules referenced in sub-clause (b) of Article (4) of this Law have been disposed, used or, benefited from for purpose other than to that for which it had been exempted from customs or taxes, received reduction of taxes to zero, or the tax was refunded, then the Economic Activity which committed the breach shall be subject to the penalties stated in any applicable legislations.

**Article (8):** a- The Council of Ministers may, by recommendation from the Committee, grant any advantages, exemptions or additional incentives to any of the Economic Activities, including medium or small Activities, or any Economic Activities in a specific geographical region in the Kingdom, provided that the decision specifies the terms and procedures for granting the same or are and published in the Official Gazette.

b- The Council of Ministers may, by recommendation by the Committee, grant any advantages, exemptions or additional incentives to any companies resulting from a merger within any Economic Activity, provided that the decision specifies the terms and procedures for granting the same or are and published in the official Gazette

**Article (9) -** a- Subject to the stipulation of this Law, the Economic Activities benefiting from advantages or tax or customs exemptions under any previous legislations for investment and any decisions issued thereby before the applicability of this Law, may continue to benefit from such exemptions and advantages until the period of exemption is expired under the previous legislations. Economic Activities already benefiting from income tax incentives shall not benefit from incentives stated in Article (5) of this law, as such, the commission shall take over the tasks of the bodies and committees authorized under the previous legislation.

b -1. If the project was granted incentives or income tax exemptions under previous legislation, but have not yet commenced with actual work or production, then for the provisions of sub-clause (a) of this Article to apply, the actual work or production must commence within two years from the date of this Law or it will lose the right to said benefits and exemptions.

2 - The Investor may transfer ownership of a project subject to sub-clause (a) of this Article to any other investor; however, the Investor must inform the Commission before the transfer procedure is completed. In such a case, the project will continue to benefit from the income tax exemptions and incentives granted until period thereof has expired and in accordance with the conditions stated in previous legislation, provided that the new investor replaces the previous investor in the rights and obligations applied by virtue of the provisions of this law.

**Article (10):** Subject to the provisions of any other legislation:

- a. Any non-Jordanian person has the right to invest in the Kingdom through ownership, participation, or contribution according to the terms and conditions specified in the regulation to be issued for this purpose. Provided the Economic Activities and the percentage by which the non-Jordanian may participate or contribute be defined.
- b. Taking into account the provisions of sub-clause (a) of this Article, a non-Jordanian Investor is treated like a Jordanian one.

## Chapter Two

### The Incentives and Advantages in the Development Zones and Free Zones

- Article (11):**
- a- Notwithstanding anything contained under the applicable Income Tax Law, the Income Tax shall be (5%) of the income of the Registered Entity which is subject to income tax and which is derived from its Economic Activity in a Development Zone.
  - b- Notwithstanding anything contained under the in the applicable Income Tax Law, Income Tax shall be 5% for registered companies subject to income tax that's derived from its Economic Activity in the industrial sector.
  - c- The Council of Ministers of Ministers may, upon recommendation from the Commission, exclude from the application of the provisions of this Article, any Development Zone which had already been established as industrial cities by virtue of the Jordanian Industrial Cities Corporation Law No. (59) of (1985) and the Establishment of Private Industrial Cities Regulation No. (117) of (2004).
  - d- The registered establishment benefits from any tax exemptions practiced in the Kingdom related to exporting goods and services abroad.

- e- The provisions of Sub-clauses (a) and (b) of this Article do not apply to the income derived from banks, telecommunications companies that have individual licenses, brokerage firms and finance companies, including companies which exercise works of currency exchange, financing, finance loans, investment companies, audit and tax advise companies, transportation in all its forms (including ocean shipping, railways, and land transport of goods), insurance and reinsurance companies, extraction industries, the generation and distribution of electricity, transportation and /or distribution of waters, gas and petroleum products using pipe lines.

- Article (12):** a- The general tax stipulated in General Tax Law on the sales of goods and services that the registered entity buys or imports for the purposes of practicing its Economic Activity within Development Zones is reduced to zero, without the registered entity being required to submit any guarantee to the Income and Sales Tax Department in this regard.
- b- The providers of goods registered in accordance with General Tax Law on sales in the Kingdom, have the right to request a refund of the general tax previously paid on goods sold to registered entities in the Development Zone.
  - c- Goods and Services originating from the Development Zones and sold to the rest of the regions in the Kingdom are subject to General Sales Tax.
  - d- A Sales Tax 7% of the value of the sale of the services, which is to be determined according to the regulation issued for this purpose, when sold for consumption in the Development Zone.
  - e- Sales of goods that are subject to special tax including vehicles, tobacco, its byproducts, alcoholic beverages, nuts, and beer, when sold for consumption in Development Zones are subject to Sales Tax and custom duties due in the Kingdom.

- f- Goods sold within Free Zones and Development Zone are subject to General Sales Tax and customs fees, unless their use had been for the purposes of practicing its Economic Activity.
- g- Despite what was stated in sub-clause (e) of this Article, forklifts and cars which are equipped to transport ten or more including the driver, and which are sold to the Registered Entity for the purposes of transporting the employees to and from the work facilities of said entity are exempted from Sales Tax. The foundations and conditions for these exemptions shall be determined by regulations issued for this purpose.
- h- The rules, procedures, and foundations for control, and the way in which to procure the Sales Tax and get it refunded in the Development Zones referred to in this Article shall be determined in a regulation issued for this purpose.
- i- If it has been shown that some of or all the goods and services mentioned in this Article were sold, assigned, or disposed of contrary to the provisions of this Article, or were consumed for purposes other than the Economic Activity or for purposes other than what the exemptions were granted for, the Registered Entity must pay the taxes and fees owed pursuant to any applicable legislation, in addition to the penalties stated in those legislations.
- j- The services performed by the Registered Entity in the Free Zones are subject to (Zero) % Sales Tax when sold for consumption within the Free Zone.

**Article 13:** a) Subject to the stipulation of Articles (11) and (12) of this Law, the Registered Entities exercising an Economic Activity in the Development Zones shall enjoy exemption from Customs Duties in respect of materials, equipment, machinery, supplies and construction materials that are part of constructing ,equipping and furnishing of all types of projects set up by the Entity in the Development Zone, including spare parts necessary for ongoing maintenance and goods imported for the practice of the Economic Activity or for export outside the Kingdom



from custom fees with the exception of export fees, service allowances, and wages owed pursuant to applicable legislation.

- b) 1- Subject to the stipulation of sub-clauses (e) of Article (12) of this Law, goods produced or manufactured in Development Zones and which meets the requirements of Jordanian origin for the purposes of custom duties and other duties and taxes when placed in the local market for consumption.

2- Notwithstanding the stipulation of Item (1) of this Article, goods produced or manufactured in Development Zones and which do not meet the requirements for Jordanian origin, and tobacco and its byproducts, alcoholic beverages, intoxicating items, beer and Free Zone products when placed for sale in the local market, are subject to custom duties and other duties and taxes owing in relation expenses and foreign costs in accordance with applicable legislation.

**Article 14:** Registered Entities exercising an Economic Activity in a Free Zone shall benefit from the following:

- (a) Exemption from Income Tax in respect of the profits generated from the following activities:
  - 1- Exporting goods and services outside the kingdom.
  - 2- Transit Trade
  - 3- Selling or assigning goods within the boundaries of the Free Zone.
  - 4- Providing and supplying services within the Free Zone.
- (b) Exemption from Income Tax on non-Jordanian employee's salaries and allowances, who are working on projects in the Free Zone.
- (c) Exemptions from custom duties, and all other taxes and charges upon goods exported from the Free Zone to places other than the local market and goods imported to the Free Zone including materials, equipment, machinery, supplies, construction materials that are part of constructing, erection, preparing and furnishing of all types of projects set up by these Entities in the Free Zone, and the spare parts required for its ongoing maintenance. The exemption shall not encompass services consideration.
- (d) Exemption in respect of buildings and structures constructed within the Free Zone from licensing fees, building tax, property tax, and improvement, zoning and paving levies
- (e) Allowing it to exchange foreign currencies and profits resulting therefrom from the Free Zone in accordance with applicable legislation.
- (f) Exporting the machinery, equipment, materials, goods, and preparations needed to set up, operate or expand any project, and the profits resulting therefrom outside the kingdom according to applicable legislation.

## Chapter Three

### Investment Window and Licensing

- Article 15:**
- (a) Notwithstanding the content of any other legislation, an Investment Window shall be established by the Commission that aims to provide “one stop shop” for licensing Economic Activity services in the Kingdom, reviewing and simplifying licensing procedures, provided the Commission sets a regulation which allows for the provision of services and electronically respond to the inquiries.
  - (b) The Council of Ministers shall issue the regulations and resolutions needed to organize the Investment Window works, including determining sectors or Economic Activities included by the services of these Windows, and that includes the scope of work of the Window’s employees.
- Article 16:**
- (a) The official authorities who are competent for licensing Economic Activities which are included in the Investment Window services, has to name its representative (s) assigned to the Investment Window within fifteen days from the date on which they receive a letter from the Commission regarding the same.
  - (b) Notwithstanding the content of any other legislation, the authorized representative is authorized to issue a license according to the applicable legislations applied by the official body, which it represents. As such, the representative practices the powers of the competent authority by issuing the license stated in those legislations and taking the necessary actions to do so.
  - (c) Notwithstanding the content of any other legislation, the Investor is granted an occupations license for three years through the Investment Window, according to the requirements stipulated in legislation in force if such a request is submitted, subject to the payment of the applicable fees.

**Article 17:** (a) The Commission shall, within six months of the date of enforcement of this Law, prepare a guide for licensing that includes the conditions, procedures, requirements, and legal limits for issuing the license according to applicable legislations enforced by the official departments, according to the form approved by the Commission for this purpose, which is published on the Commission's website. The official bodies must supply the Commission with all the data asked for and required to prepare the licensing guide within fifteen working days of the date on which a request has been submitted by the Commission.

- (b) The Commission shall present a draft of the licensing guide to the official department to give comments and make observations, and if no official department submits its comments within (30) days of receiving the said draft guide, and this shall be considered an approval of its content, and shall become the primary reference for the conditions, procedures, requirements, and time limits for issuing licenses necessary for Economic Activities. The official departments and their authorized representatives must adhere to its content.
- (c) The Commission shall review the licensing guide and update its content in light of amendments to the applicable legislation annually or whenever necessary, provided that any modification or amendment to the licensing guide or the procedures themselves stated in this Article so it can be adopted.

**Article 18:** (a) The authorized representative shall issue his decision regarding the license according to the terms of procedures required and within the time limit stated in the licensing guide. In case of the time limit for issuing the decision regarding the license not being determined in the guide, the time limit shall not exceed thirty working days of the date on which the legal requirements set in the licensing guide are completed.

(b) in the event that issuing a license requires diverting the subject to any committee or body to conduct an examination or perform any procedure without the relevant legislation providing a time limit within which a decision or recommendation must be issued by said committee or body within the time from specified in sub-clause (a) of this Article.

- (c) If the authorized representative refuses to grant the license, the decision for rejection must be made in writing and must contain the reasons as to why it was rejected. The representative must inform the party requesting the license of his decision within three working days from the date of its issuance.
- (d) If the authorized representative refuses to grant a license or if a decision is not issued within the time limit stated in sub-clause (a) of this Article, the party requesting the license may submit an objection to the President within sixty days. In case a settlement of the objection cannot be reached within fifteen days, the President shall refer the objection to the governmental committee formed by virtue of sub-clause (f) of this Article.
- (e) The governmental committee shall issue its decision within (30) days from the date on which the objection was assigned to it, and its decision shall be subject to appeal to the High Court of Justice.

## Chapter Four

### The Board & The Commission

- Article (19):** (a) A board called (The Investment Board) shall be composed, headed by the Prime Minister and the membership of the following:
- 1- Minister of Industry, Trade and Supply.
  - 2- Minister of Finance.
  - 3- Minister of Labor.
  - 4- Minister of Planning and International Cooperation.
  - 5- Head of the Investment Commission.
  - 6- Governor of the Central Bank.
  - 7- Chairman of the Jordan Chamber of Industry.
  - 8- Chairman of the Jordan Chamber of Commerce.

- 9- Four experienced and competent representatives of the private sector will be appointed by a decision from the Council of Ministers upon a recommendation from the Prime Ministers for a period of two years, renewable only once. The appointment of any member may be terminated by appointing a replacement for the remaining time in the same way.
- (b) The Board has the following responsibilities and authorities:
- 1- Recommending to the Council of Ministers legislation projects, strategies, and national policies regarding investment.
  - 2- Approving the Commission's annual plans of action and submitting the necessary recommendations to it, as well as appointing a legal auditor and determined his remuneration.
  - 3- Studying the constraints facing Economic Activities, identifying the appropriate ways to address them, and directing the Commission to the mechanism required to doing so.
  - 4- Supervising the Commission's works, monitoring it, and following up on its execution of plans and projects related to investment.
  - 5- Approving the Commission's end of year financial statements, and raising them to the Council of Ministers for certification.
- (c) The Board shall meet, at least, once every three months by invitation from its chairman or vice chairman in case of his absence. A meeting is considered valid by the attendance of the majority of its members including the chairman or vice chairman. The Board shall make its decisions by the votes of the majority of the member. In the case of equal voting, the side with which the chairman has voted will prevail.
- (d) The chairman of the Board shall appoint one of the members to be his vice chairman. The Commission's secretary general shall be the Board's secretary.

- Article (20):** (a) A commission named the ("Investment Commission") shall be formed; it shall have a separate legal personality and financial and administrative independence, and as such is entitled to own any movable and immovable assets and conducting any legal actions necessary to accomplish its purposes including executing contracts and accepting aid, grants, and donations. It also has the right to litigate and authorize the civil attorney general or any other attorney it appoints to represent it.
- (b) The Investment Commission shall have its head office in Amman, but may set up offices within or outside the Kingdom.
- (c) In spite of what is stated in any other legislation, the Commission is associated with the Prime Minister.

- Article (21):** (a) The Commission aims to attract, encourage and promote local and foreign investment and ensure the sustainability of an appealing investment environment, as well as stimulating the economic movement and encourage confidence in the investment environment, develop, organize, and increase exports.
- (b) The Commission undertakes the following responsibilities and authorities to fulfill its goals:
- 1- Organizing regulations relating to the Development Zones and Free Zones in the Kingdom, developing and placing them in the service of the national economy, and supervising their progress.
  - 2- Implement plans and programs to stimulate, promote and implement local and foreign investment.
  - 3- Identifying investment opportunities in the Kingdom, providing information and the date to the Investor, supply evidence, and proper studies regarding them.
  - 4- Establishing commercial centers and representative offices, set up exhibitions, open markets, and organize trade missions aiming to promote and market national products, develop national exports, and encourage investment.

5- Making the appropriate decisions regarding requests made by local and foreign private and public institutions for setting up and supervising trade and industrial exhibitions in the Kingdom. Subject to the President of the Commission issuing instructions in this regard, setting the terms, restrictions, and conditions thereof.

- Article (22):** (a) A chairman appointed by the Council of Ministers, upon recommendation of the Prime Minister, shall be responsible for the management and supervision of the Commission, for a term of four years, renewable once. The decision naming the chairman shall determine his rights, all his privileges, and the method by which his services shall be terminated, provided the appointment decision be by royal decree.
- (b) The Commission's Secretary General shall be appointed by a decision from the Council of Ministers, by recommendation of the chairman, pursuant to the provisions of the Civil Service Regulation.
- (c) The chairman of the Commission shall represent it before others.

**Article (23):** The President shall take, before the Prime Minister and before embarking on any tasks, the following oath:

"I swear by God the Almighty to be loyal to King and country, and to respect and uphold the applicable laws and regulations, and to perform the tasks and duties assigned to me with honesty and dedication."

- Article (24):** (a) The chairman shall have all the authorities entrusted to the Commission according to the provisions of this Law, including the following:
1. Managing the Commission's works and following up and executing the Board's decisions and recommendations.



2. Preparing the annual balance project for the Commission, and certifying the same in the proper manner.
  3. Preparing draft legislation needed for the Commission's works and submitting it to the Board.
  4. Preparing the annual report on the Commission's works, and the closing financial statements for end of the fiscal year and submitting it to the Board for approval.
  5. Make recommendations to the Council of Ministers for the expropriation of land and real estate needed the works of the Commission according to the provisions of Ownership Law.
  6. Executing contracts, agreements, and cooperation agreements with third parties.
- (b) The president has the right to delegate any of the authorities stated in this Law and the regulations and instructions issued pursuant thereto, to the Commission's Secretary General or any of the Commission's employees. The delegation must, in all cases, be made in writing and must be specific.

- Article (25):** (a) The President, secretary general, directors, their spouses, and relatives to the first degree are prohibited from having any interest with the Master Developer or the registered entities in the Development Zone or the Development Zones throughout the period of their work with the Commission and for two years afterwards. They are also prohibited from selling and purchasing property in the Development s and Free Zones.
- (b) The President, secretary general and directors must submit a written statement, when appointed and before they begin their work, confirming they have no benefit or commercial activity as listed in sub-clause (a) of this Article, under the risk of legal accountability and the termination of their services with the Commission.

- Article (26):** (a) The Commission's financial resources consist of the following:
- 1- The annual amounts allocated to it in the general budget.

- 2- Fees, taxes, service fees, revenues, and fines it receives in accordance with the provisions of this Law and the regulations issued pursuant thereto.
  - 3- Aid, donations, and grants given to it, provided that the Council of Ministers issues its approval if it is from a non-Jordanian source.
  - 4- Any other source of income which the Council of Ministers approves.
- (b) The Commission shall have its own independent budget, and is subject to the supervision of the Audit Bureau.

- Article (27):** (a) The Commission's assets and rights are considered public assets, to be collected as per the Public Monies Collection Law and for this purpose, the President exercises the authorities granted to the administrative governor or the monies collection committee stated in that law.
- (b) The Commission enjoys all the exemptions and facilities granted to the ministries and governmental departments.

## Chapter Five

### Administrative Regulations for Development Zones and Free Zones

- Article (28):** (a) A Development Zone or Free Zone is established by a decision from the Council of Ministers, upon recommendation of the Board, and its borders are designated, modified, or justifiably revoked in the same way, while preserving any rights gained in case of restriction or revocation. These decisions are to be published in the official Gazette. The terms, conditions and procedures required shall be specified in a regulation issued for this purpose.
- (b) The Free Zone established in accordance with the provisions of sub-clause (a) of this Article can exist within a Development Zone.

- (c) Any industrial institution founded within the Free Zone has the right to issue a request to be excluded from the provisions of applicable legislation in Free Zone, provided that it becomes subject to the provisions of applied legislation in the Kingdom.

**Article (29):** (a) Notwithstanding the content of any other legislation, any entity registered in the Development Zone or Free Zone may practice the Economic Activity for which it was licensed in accordance with the provisions of this Law, and the legislations issued pursuant thereto, and the contract executed with the Master Developer. This is with the exception those activities which are prohibited or limited by virtue of regulations issued for this purpose.

- (b) The Master Developer and the entities registered in the Development Zones and the Free Zones enjoy all the rights needed to practice the Economic Activity, including:

- 1- Conduct all the activities related to buying, selling, renting, leasing, managing and transferring ownership of any property or facilities within the borders of the Development Zones or Free Zones, in accordance with this Law, provided this does not contradict with legislation governing property ownership in the Kingdom.

- 2- All forms of exemptions and facilities established by the provisions of this Law and any regulations and instructions issued pursuant thereto, without the need to take any other procedures of any kind to enjoy these exemptions and facilities.

- 3- Contracting with employees and workers in accordance with the provisions of this Law and the regulations and instructions issued pursuant thereto.

**Article (30):** (a) The Development Zone is subject to the applicable Import and Export Law. For this purpose, the President shall exercise the privileges of the Minister stipulated in these provisions.

- (b) The License granted pursuant to this Law and the regulations issued pursuant thereto for practicing Economic Activity in the Development Zone or the Free Zone is considered as an occupations permit.
- (c) Notwithstanding the content of this Law or any other legislation, restrictions regarding the percentage of foreign capital do not apply in the Free Zone and Development Zone.

- Article (31):**
- (a) The rules for granting residency to Investors, their family members, and employees in the management of the projects shall be in accordance with regulations issued for this purpose.
  - (b) The rules, regulations, and procedures regarding work and workers applied in the Development Zone and Free Zone shall be determined in accordance with the regulations refunded in sub-clause (a) of this Article, given that the regulations take into account the percentage of employed Jordanians and Developing provinces.

**Article (32):** When a Development Zone or Free Zone is established in accordance with the provisions of this Law, the lands owned are transferred from the Public Treasury of the Commission.

- Article (33):**
- (a) The Commission has the right to lease any of the lands registered in its name within the Development Zone or the Free Zone to the Master developer of that area or may sell those lands to the Master Developer, in accordance with a development agreement which must be approved by the Council of Ministers and for the fee the Council sets.
  - (b) 1- Subject to the provisions of sub-clause (a) of this Article, under no circumstances shall the Commission sell properties designated for public benefit to the Master Developer. The Master Developer must develop such lands in accordance with what is specified in the development agreement.  
  
2- If the Master Developer fails to perform the development works in the Development Zone or Free Zone, the Commission has the right to

claim a penalty equal to (5%) of the market value of the lands which have not been developed for each year of delay on the time schedule set in the development agreement.

- (c) Subject to the provisions of sub-clause (a) of this Article, the Master Developer has the right to rent or sell the lands in the Development Zone or Free Zone to the registered entities in that zone, or to official or public establishment, agencies that administer public facilities or agencies that provide infrastructure services for that zone. This is on the condition that the sale is approved by the Council of Ministers by placement by the Commission in relation to the lands which were owned by the Commission and have been transferred to the Master Developer. This is provided that, the sale does not conflict with any of the governing legislations for land ownership in the Kingdom.
- (d) Notwithstanding the content of any other legislation, the time period for renting in Development Zone and the Free Zone for contracts executed between the Commission and the Master Developer, and between the Master Developer and the registered entities is up to (30) calendar years, renewable automatically for a similar period, and the two parties can renew it up to an additional (30) years with the approval of the Council of Ministers.
- (e) Notwithstanding the content of any other legislation, the promise of sale of lands contracts shall be documented by the Land and Survey Department, provided that a fee equal to one per mille of the value of these contracts is paid by the purchaser.

**Article (34):** (a) The Master Developer commits to completing the necessary procedures for licensing a Registered Entity registered in accordance with the provisions of this Law after the announcement of the Development Zone or the Free Zone, whereby he takes over performing that entire works, management, funding, and development of the Zone including the establishment of necessary facilities and services for this purpose, administrating, developing and maintaining it, including pathways, electricity, water, telecommunications and sanitary drainage.

- (b) Notwithstanding the content of any other legislation, the provisions and procedures for the return of the public treasury lands by the Commission which had transferred to the Master Developer or by the Master Developer from the Registered Entity by virtue of regulations issued for that purpose.

- Article (35):**
- (a) Development Zones and Free Zones existing before this law came into effect , shall be considered Development Zones and Free Zones established pursuant to the stipulation thereof, provided that they rectify their status in accordance with the provisions of this law
  - (b) Development companies which have commenced their business within the Development Zones and the Free Zones before this Law came into effect and which were mentioned in sub-clause (a) of this Article shall be considered a Master Developer for the purpose of this Law, subject to rectify their status in accordance with the provisions of this law and without breaching their acquired rights.
  - (c) All entities which have commenced their business within the Development Zones before this Law came into effect and which were mentioned in sub-clause (a) of this Article shall be considered as Registered Entities in accordance with the provisions of this Law, subject to rectify their status in accordance with the provisions of this law and without breaching their acquired rights.
  - (d) All buildings and facilities existing and registered pursuant to the provisions of the Industrial Cities Institution Law No. (59) of (1985) are exempt from properties and land taxes, licensing fees, improvement, zoning and paving levies

**Article (36):** Notwithstanding the content of any other legislation, the Commission exercises the following tasks within the boundaries of the Development Zones and Free:

- a- The Investment Board exercises the authorities of the High Planning Council and forms committees chaired by Commission's President to

undertake the works and authorities of the district and local committees.

- b- The Commission exercises the authorities of the municipal council and the other entities stipulated in the legislations in force. The President of the Commission undertakes the authorities of the chairman of the municipal council.
- c- Protecting the environment, water resources, natural resources and biodiversity in line with Environmental Law and regulations and instructions issued thereto, with coordination with the concerned parties.
- d- Any other tasks may be assigned by the Council of Ministers.

- Article (37):** (a) The Commission may, upon the Council of Ministers' approval, assign any of its authorities stated in this Law, and the regulations and instructions issued pursuant thereto, and which relate to Development Zones and Free Zones, to any official body or wholly government owned company, to perform it in accordance with its special legislations, provided that this shall be done according to the arrangements and procedures set out by the Commission.
- (b) The President may, with the Board's approval, assign any of the tasks stated in this Law and related to the management affairs specific to a Development Zones or Free Zones and its development and organization to the Master Developer of that zone.

- Article (38):** The Commission undertakes all the affairs and powers related to the Development Zone and the Free Zone including the following:
- a- Registering the person who wishes to practice the Economic Activity in the Development Zone in accordance with the provision of this Law.
  - b- Founding and registering the person in the Free Zone to practice the Economic Activity within or outside the Kingdom pursuant to the provisions of this law and the regulations issued for this purpose.
  - c- Issuing all kinds of licenses and certifications regarding practicing the Economic Activity in the Development Zone and the Free Zone pursuant to the provisions of this Law and the regulations and instructions issued thereto.

- d- collecting fees, duties, levies and fines collected under this Law and the regulations issued by virtue thereof or by virtue of any other legislation in force in Development Zones or Free Zones, as well as determining the service fees and the method of collection, with the exception of customs duties and income and sales tax.
- e- Expropriating lands and properties necessary for developing the Development Zone and Free Zone according to the provisions of Expropriation Law.

- Article (39):** (a) For the intents of enforcing the provisions of this law, the President of the Commission and the employee who is duly authorized in writing by the Commission, in accordance with the powers so determined thereto, shall be considered as a judicial officer. The authorized employee has the right to regulate any violation of the provisions of this Law and the regulations issued in pursuance thereof and to carry out an inspections within the Development Zone or Free Zone, and may for this purpose, enter into any place, examine the documents and audit documents, and have access to all documents, records and electronic data.
- (b) Any employee of the Commission that has role of judicial officer, taking into account the Registered Entity's internal regulations, its safely procedures, procedures for protection from sensitive materials or information when entering the Registered Entity for the purposes of conducting the investigations into any violations committed in violation of the provisions of this Law and the regulations and instructions issued thereto.

- Article (40):** (a) The Commission has the right to sell, destroy, confiscate, or take ownership of any materials and goods which have been abandoned or left unclaimed in the Development Zone or the Free Zone, provided that the conditions, rules and procedures regarding this are determined in accordance with instructions issued by the Commission and published in the Official Gazette.



- (b) The Commission has the right to assign the Master Developer with the task of implementing any of the provisions stipulated in sub-clause (a) of this Article.

## Chapter Six

### General Provisions

**Article (41):** (a) The phrase (“Foreign Capital”) shall mean, for the purposes of this Law, any amounts invested by a non – Jordanian whether it be cash, in-kind, or rights with financial value, including:

- 1- Financial amounts transferred by it to the Kingdom.
- 2- Imported in-kind assets.
- 3- Intellectual property rights owned by, or of which the investor is licensed to use in its Economic Activity. .
- 4- Profits, returns and reserves arising from the investment of Foreign Capital in its Economic Activity, and which is used for increasing the share capital or is invested in another Economic Activity, investment returns, sale of its Economic Activity , or shares in the same or any other use
- 5- The share of its Economic Activity arising from capitalization or from debt swaps accrued to the investor within the percentage range specified in the regulations issued pursuant to the provisions of this Law.

b- The non-Jordanian investor has the following rights:-

- 1- Output all or part of the foreign share capital in a currency, which can be converted in accordance with applicable legislation.
- 2- Transferring the profits and returns from its investment outside the Kingdom.

- 3- Liquidating its investment, or selling its Economic Activity or its shares or stocks therein or dispose it, provided it fulfills any obligations owing to others or to official bodies by virtue of applicable legislation.
- 4- Managing its Economic Activity in the way it sees fit and through the people he assigns for this purpose, and the relevant bodies must offer any easements needed for this purpose.
  - c- For the purposes of applying the provisions of this Law, the non-Jordanian investor is treated in the same way as a Jordanian investor is treated.
  - d- Non -Jordanian workers in any Economic Activity may transfer their wages and remuneration outside the Kingdom in accordance with applicable legislation.

**Article (42):** Ownership of any Economic Activity may not be removed or be subjected to any procedures that would result in the same, unless it is expropriated for the public benefit, on the condition that fair compensation is to be paid to the investor, in a currency which may be exchanged without delay.

**Article (43):** Investment disputes between the government bodies and the investor shall be settled amicably within a period of no more than six months. Otherwise, the parties to the dispute shall raise the dispute at the Jordanian Courts, or settle the dispute in accordance with the Jordanian Arbitration Law, or refer to alternate method of dispute resolution by the agreement of the parties.

**Article (44):** The provisions of this Law shall prevail in case of contradiction with the provisions of any other legislation.

**Article (45):** Subject to any stricter penalty found in any other legislation, anyone who breaches any of the provisions of this Law, and the regulations issued pursuant thereto, shall be fined an amount of no less than (500) five hundred Jordanian Dinars and no more than (10000) ten thousand Jordanian Dinars The breaching party is also obliged to compensate and

nullify the damage resulting from the breach, and the Commission may nullify the breach at the expense of the breaching party if it refuses to do so.

**Article (46):** The Council of Ministers shall issue the regulations required for the implementation of this Law.

**Article (47):** a- taking into account the provision of sub-clause (h) of this Article, the Investment Promotion Law No. (16) of the year (1995) and the regulations and guidelines issued pursuant thereto shall be abolished. For the purposes of this Law, the term ("Investment Promotion Law") shall include, where mentioned in any other applicable legislation the term ("Investment Law").

b - talking into account sub-clause (h) of this Article, the Temporary Investment Law No. (68) of (2003) and the regulations and guidelines issued pursuant thereto, shall be abolished, however, the decisions issued by virtue thereof shall remain in force until they are cancelled, amended, or replaced.

c – The Development Zones and Free Zone Law No. (2) of (2008) shall to be abolished, however, the regulations, guidelines and decisions issued by virtue thereof shall remain in force until they are cancelled, amended or replaced by virtue of the provisions of this Law.

d –The Temporary Investment Promotion Law No. (67) of (2003) is abolished.

e- The Temporary Investment Environment Growth and Economic Activity Law No. (71) of 2003 is abolished.

f- The provisions of sub-clauses (e), (f) of (g) of Article (5) of the Economic Development Project Law No.(33) of (2008).

g- The provisions of point (5) of sub-clause (b) of Article (4) and Article (5) of the Industry and Trade Law No.(18) of (1998).

h- The provisions stated in Investment Promotion Law No. (16) of (1995), the Temporary Investment Law No. (68) of (2003) and the regulations and guidelines issued pursuant thereto which relate to sectors, incentives, exemptions and procedures stated in these regulations, including provisions relating to the investment promotion commission, until the Council of Ministers issues regulations referenced in sub-clause (b) of Article (4) of this Law, and is published in the Official Gazette, provided that this period does not exceed six months from

the date this Law comes to force. In this regard, the President shall take over the tasks of the investment promotion committee.

**Article (48):**

The Prime Minister and the Ministers shall be under an obligation to execute the provisions of this Law.