

TIJARA Strategy National Action Plan

Introduction

TIJARA was created with the vision that “Jordan shall become a premier center for U.S. trade and investment in the Middle East, and an efficient gateway to the U. S. market,” according to a report prepared by AMIR.

Super-ordinate Goal

The overall goal that specifically supports the vision for development of the FTA can be defined to achieve “substantially increased levels of trade and investment between Jordan and the U.S. through the FTA, contributing to more vibrant, diversified, private sector-led growth in Jordan.”

The Jordan-US Free Trade Agreement Coordinating Committee

The Jordan-US Free Trade Agreement Coordinating Committee was established in October 2001 with the following objectives:

1. To create forums for discussion on FTA related issues and their expected impact on the Jordanian economy.
2. To explore means of promoting trade and investment between Jordan and the US under the FTA.
3. To study issues arising from FTA implementation and present case studies for discussion to the Joint Jordan-US Committee, which meets on bi-annual basis to review the concerns of both sides and make necessary amendments (to the FTA).
4. To coordinate activities, *recommend programs and projects*, and plan joint efforts among the various organizations involved with the FTA.

The Coordinating Committee consists of twenty-six Jordanian private and public sector organizations and representatives of the US and Jordanian governments. Meetings are to be held on a *frequent* basis. *The Committee serves as a round table and as a recommending vehicle, but not a governing body for its individual member organizations. Implementation and funding for selected programs and projects to promote the FTA will be the responsibility of the individual organization members of the Coordinating Committee or the responsibility of a combination of members in the form of partnerships or coalitions.*

Four Coordinating Forums

The Coordinating Committee is divided into *four* coordinating forums:

1. *The Public Relation Forum*
2. *The Policy Advocacy Forum*
3. *The Trade and Investment Forum*

4. The Research and Business Development Forum

The purpose of each forum is:

- 1. To encourage the exchange of information between member organizations;***
- 2. To distribute and to allocate specific implementation assignments and/or agreements among forum member organizations; and***
- 3. To form partnerships and/or coalitions for implementation of suggested programs and projects.***

The major concentration for forums' discussions will be on the seventeen recommendations of the TIJARA National Strategy as developed and adopted by the Coordinating Committee.

The FTA Unit

The administration of the Coordinating Committee and its four forums will reside in a special FTA Unit operated jointly by a formal partnership between the Jordanian American Business Association (JABA) (Raghda Butros, executive director) and the Jordan Export Association (JEA)(Halim Abu Rahmeh, general manger). The staff of the FTA Unit will be housed in the offices of JABA. Details of the partnership agreement are to be negotiated between the two organizations and the FTA Unit's funding source.

The duties of the FTA Unit, under the direction of a newly-appointed staff executive, will be to provide management, staffing assistance, meeting arrangements, record-keeping, research, grant writing, information coordination, communications including internal and external publications and media relations, and other necessary administrative functions for the Coordinating Committee and the forums.

If needed and desirable, the FTA Unit staff will also be available to work with the partnership arrangements made among member organizations to implement selected TIJARA strategies.

TIJARA Objectives for 2002-2005:

Program and project recommendations gain their underpinning from the Coordinating Committee objectives, which are based on the TIJARA Strategy, a document produced by the AMIR Program with the assistance and approval of the Coordinating Committee. The objectives are:

1. Increase U.S.-Jordanian trade levels to US\$ 1.8 billion by the end of 2004.
2. Increase Jordanian exports of US\$ 900 million by the end of 2004.
3. Increase the annual amount of U.S. foreign direct investment in Jordan to US\$ 200 million by the end of 2004.
4. Facilitate investment from other countries using Jordan as a trade and investment gateway for the U.S. market.

Participating Organizations

| | |
|---|-------|
| 1. Amman Chamber of Commerce | ACC |
| 2. Amman Chamber of Industry | ACI |
| 3. American Chamber of Commerce in Jordan | JABA |
| 4. Access to Micro-finance and Improved Implementation of Policy Reform | AMIR |
| 5. Amman World Trade Center | AWT |
| C | |
| 6. Business and Professional Women- Amman | BPWA |
| 7. Jordan Customs Department | |
| 8. Federation of Jordanian Chambers of Commerce | FJCC |
| 9. Information Technology Association of Jordan | INTAJ |
| 10. Irbid Chamber of Industry | ICI |
| 11. Information Technology Association- Jordan | INTAJ |
| 12. Jordan Businessmen Association | JBA |
| 13. Jordan Export Development and Commercial Centers Corporation | JEDC |
| O | |
| 14. The Jordanian Association of Pharmaceutical Manufacturers | JAPM |
| 15. Jordan Investment Board | JIB |
| 16. Jordan-US Business Partnership | JUSBP |
| 17. Jordan Exporters Association | JEA |
| 18. Ministry of Industry and Trade | MIT |
| 19. National Center for Intellectual Property | NCIP |
| 20. National Federation of Business and Professional Women NFBPW | |
| 21. Royal Court/ Economic Unit | |
| 22. United States Embassy | |
| 23. United States Agency for International Development | USAI |
| D | |
| 24. Young Entrepreneurs Association | YEA |
| 25. Zarqa Chamber of Industry | ZCI |

Proposed Programs

The TIJARA *Coordinating Committee* has adopted seventeen program *and project recommendations* that tackle all aspects of FTA implementation. *The members of the four coordinating forums will discuss these programs and various elements of the recommendations will be adopted by individual member organizations or by partnerships and/or coalitions of member organizations for implementation. Responsibility for management, financing, and results will rest with the member organizations who agree to participate in these programs or project. Assistance from the FTA Unit will be available to support and enhance implementation.*

The program or project recommendations include, but are not limited to, the following:

1. In Depth Needs Assessment of Import/Export Potential for Selected Jordanian Sectors
2. Provision of Assistance at the Firm and Sector Levels
3. Survey US Market Requirements for Selected Sectors
4. TIJARA Web site and Database
5. Backward Linkages and Matchmaking
6. Exhibitions and Conferences
7. Incoming and Outgoing Delegations
8. Digital Video Conferencing
9. FTA Multimedia Presentation
10. TIJARA Newsletter
11. Media Relations
12. Road Shows
13. Publications
14. Study Obstacles to Trade Between Jordan and the US
15. Training of Private and Public Sector Officials
16. Jordan-US Business Council & Memorandum of Understanding
17. Washington DC Office

In Depth Needs Assessment of Import/Export Potential for Selected Jordanian Sectors

Objectives

- Determining the goods and services with most potential to enter the US market
- Determining the competitive advantages of Jordanian products and services
- Creating programs to qualify these sectors for export to the US

Implementation Possibilities for Member Organizations

- Support JUSBP's studies on import/export advantages of Jordanian products
- Gather studies on Jordanian products and services import/export potential from the National Committee members
- Categorize Jordanian companies in sectors and study each of their needs
- Assist Jordanian companies in developing the necessary skills to penetrate international markets.

Provision of Assistance at the Firm and Sector Levels

Objectives

- Assisting Jordanian firms both financially and technically in their bid to export to the US
- Upgrading Jordanian export capabilities
- Identifying Jordanian companies with success or failure stories in exporting to the US

Implementation Possibilities for Member Organizations

- Gather previous technical support information from JUSBP, the US Embassy, and the National Committee members
- Coordinate visits to Jordanian factories and study the opportunities and challenges that industrialists face
- Provide technical support for Jordanian firms to improve production processes and product standards
- Train Jordanian workers and managers to work with current firm technologies.
- Train Jordanian firms to conduct market research and benefit from e-commerce and marketing

Survey US Market Requirements for Selected Sectors

Objectives

- Identifying US market requirements and providing resulting information to Jordanian firms
- Identifying niche markets for Jordanian goods and services
- Reducing possibilities of rejection of Jordanian goods and services that are exported to the US ***Implementation Possibilities for Member Organizations***
- Develop a study to include minimum US product standards, product quality, consumer tastes, pricing, and packaging requirements.
- Develop a study to consist of US distribution channels and top US competitors.
- Conduct a study that would identifying US market needs for Jordanian goods and services
- Gather all US market studies prepared by National Committee members
- The implementation process would require approximately 10 months

TIJARA Web Site and Database

Objectives

- Providing information to Jordanian, US and international importers, exporters, service providers and investors
- Creating avenues for discussion on the practical implementation of the agreement
- Responding to inquiries Providing US and international investors with comprehensive information on what companies to deal with in the Jordanian market
- Providing Jordanian companies with accurate and up-to-date information on other companies in the country
- Creating an online matchmaking service,

Implementation Possibilities for Member Organizations

- Contact a Web site development company and handle all TIJARA Web site demands
- Gather from the National Committee members all Jordanian companies' contact information in Microsoft format for use as database in the TIJARA web site
- Develop a web-based FTA inquiry form
- Add Web site links to both Jordanian and American companies and associations
- The database will require approximately JD 5000 to be produced
- The Web site would require approximately JD 13000 to be created
- The time frame for full completion of the Web site is approximately 5 months
- The timeframe for the completion of the database is approximately 1 year

Backward Linkages and Matchmaking

Objectives

- Strengthening local suppliers
- Generating economic activity
- Enhancing local products and services through technology transfer and skill upgrading
- Providing local suppliers with a foothold in international markets
- Attracting foreign direct investment (FDI)

Implementation Possibilities for Member Organizations

- Ask chambers of commerce and associations to conduct surveys and collect data on Backward Linkages in Jordan
- Develop a linkage program for Jordanian manufactures to improve the capacity of their outputs and enable them to supply components abroad.
- Coordinate with the US Embassy and other association to get contact information on US importer companies and arrange for meetings between these companies and Jordanian manufactures.
- The cost for the 18-month Pilot Program would be approximately \$263,000-293,000.
- Implementation would require approximately 10 months.

Exhibitions and Conferences

Objectives

- Introducing Jordanian products to US and international clients at venues with high visibility
- Creating opportunities for networking and matchmaking
- Providing a platform to discuss issues of current economic relevance to Jordan and the US
- Attracting participants from the region and the world to inform them of Jordan's investment potential
- Creating an avenue for presenting success stories and challenges
- Formulating recommendations for the further development of trade between Jordan and the US *Implementation Possibilities for Member Organizations*
- Obtain a list of product and service exhibitions, expos, and conferences from the US Embassy or from the Jordanian Embassy in the US
- Publicize lists of exhibitions, expos, and conferences to Jordanian companies
- Provide Jordanian companies with lists of Jordanian expos and conferences that Americans are attending
- Provide assistance to Jordanian companies on how to exhibit their products and services.
- Bring in speakers to discuss relevant Jordan-US trade issues
- Research relevant virtual product exhibitions
- Resources for this program varies according to location of exhibition and size of products or services exhibited. To be calculated soon

Incoming and Outgoing Delegations

Objectives

- Creating a platform for matchmaking between Jordanian and US companies
- Promoting two-way trade
- Making US companies more aware of Jordan's business potential
- Marketing Jordan's competitive and comparative advantages concerning the products and clusters in targeted markets
- Marketing Jordan's competitiveness in the light of preferential access to U.S. through the FTA.

Implementation Possibilities for Member Organizations

- Divide Jordanian companies into sectors and select companies to participate in the outgoing Jordanian delegations
- Provide the outgoing delegations with publications, CD's and information on the Jordan- US FTA and the investment opportunities presented within the agreement.
- Target US industries with potential for trading with Jordanian counterparts.
- Invite incoming delegations to meet with their Jordanian counterparts and exchange exhibitions, expositions, and conferences contact information for future business relations.
- Arrange for the investment promotion and trade promotion associations to provide US representatives with Jordanian studies that show the competitive and comparative advantages of Jordanian products and services.
- Resources for outgoing missions would include:
 - US partners
 - Research and matchmaking expenses
 - Traveling expenses
 - Seminar expenses
- Implementation of missions would start as of June 2002, after conducting required studies.

Digital Video Conferencing

Objectives

- Promoting inward investment for FTA activities through participating in virtual investor missions
- Creating a further platform for one-on-one matchmaking.

Implementation Possibilities for Member Organizations

- Purchasing the necessary equipment, which consists of:
 - 1) A DVC independent device – Polycom View Station 512 MP (Multiple Point). It includes the camera, the microphones, the IMUX box (for the ISDN lines) and a remote control).
 - 2) ISDN internet connection with four lines
 - 3) Two 100 Htz. Scanning beam TV sets.
- Setting up the facility at one of the National Committee members' association
- Obtaining a list, from the US Embassy, with US companies contact information
- Preparing for virtual missions with US companies
- The total cost for this program would be approximately US\$ 14,900
- A time frame of 4 months would be necessary for the completion of this program

FTA Multimedia Presentation

Objectives

- Serving as a teaching tool for businesses and interested individuals
- Providing information on the Jordanian and US markets
- Forming part of an information kit on the FTA that will include a CD, newsletter and other publications
- Forming the basis for the FTA Road Show to introduce the agreement to businesses all over Jordan

Implementation Possibilities for Member Organizations

- Cooperate with JABA to get results on its FTA multimedia presentation
- Present the FTA Multimedia Presentation to all incoming and outgoing delegations, to potential investors in Jordan, to Embassies in Jordan and abroad.
- Cooperate with the National Committee members to present the FTA Multimedia Presentation to its members and to various interested Jordanian companies and individuals
- Work on the multimedia presentation is in its final stages

TIJARA Newsletter

Objectives

- Providing up-to-date information on business news, events, highlights of incoming and outgoing delegations in addition to success stories and opportunities arising from the FTA
- Forming part of the information kit to local and visiting businesses
- Providing periodic statistics on levels of trade between Jordan and the US

Implementation Possibilities for Member Organizations

- Gather all necessary FTA news, events, and articles for use in the newsletter
- Gather Jordanian companies' business news and success stories and publish them in the newsletter.
- Update newsletter on a quarterly basis
- Distribute the newsletter to all Jordanian businesses, Embassies, incoming and outgoing delegations
- The cost of this program would run at approximately JD 1200 per issue
- Work on each newsletter would require 3 months

Media Relations

Objectives

- Making FTA information accessible to as large an audience as possible
- Presenting success stories resulting from the FTA to the general public so that its effect may be felt on the ground
- Creating debates and dialogues on the agreement within the local press

Implementation Possibilities for Member Organizations

- Contact newspapers in Jordan
- Prepare a list of FTA articles to be published in local newspapers
- Hire FTA specialists to conduct interviews, dialogues and debates to be published in newspapers, on TV and radio.
- Develop specific FTA briefings to sectoral and specialized private sector organizations, companies, and associations
- This program will require approximately 3 months for full completion

Road Shows

Objectives

- Bringing FTA information to businesses all over the country and ensuring that no industrial or business concentrations are excluded
- Allowing businesspeople to ask questions of the experts and receive immediate answers
- Acting as a forum for discussion as to the practical implementation of the agreement and the challenges and opportunities it presents.

Implementation Possibilities for Member Organizations

- Hire FTA professional speakers that would address specific topics in the Free Trade Agreement
- Conduct sector specific presentations to various businesses and associations in Jordan
- Invite all Embassies in Jordan to FTA lectures and presentations where Jordan's investment opportunities would be presented.
- Send FTA specialists to countries worldwide to FTA promotional presentations.
- Arrange for FTA focus group meetings in Jordan and abroad for discussions on FTA issues and opportunities.
- This program should start immediately and would continue for as long as most Jordanian sectors are targeted.

Publications

Objectives

- Providing material resulting from the various research efforts to all public and private sector organizations in Jordan, the US and elsewhere

Implementation Possibilities for Member Organizations

- Cooperate with business associations and National Committee members to gather and update all previous FTA publications
- Hire technical assistance to review publications
- Create FTA handbooks, general FTA material and specific publications in both English and Arabic
- Distribute publications to Jordanian associations, Embassies, and International associations
- A timeline for this program will be assigned immediately after the finalization of the studies

Study Obstacles to Trade Between Jordan and the US

Objectives

- Issuing recommendations to be presented to the FTA Joint Commission for amendments within the agreement
- Creating the platform for the development of position papers for advocacy purposes

Implementation Possibilities for Member Organizations

- Coordinate efforts between Jordanian associations and the Customs Department to gather information on all trade barriers.
- Develop comprehensive studies for high priority products
- Survey the logistics supply chain for different Jordanian products
- Develop studies for high priority products.
- Coordinate with US Customs and the US Embassy to get information on customs procedures and barriers to trade in the US.
- Survey and study barrier to entry costs such as transportation costs, promotion and distribution costs
- Gather all information on obstacles to trade and develop a document that would contain recommendations on trade barrier issues to be presented to the FTA Joint Commission for amendments within the agreement
- Develop position papers for advocacy purposes on barriers to trade.
- Resources depend on the obstacles identified and the ways in which the different costs are tackled. These will be available soon.

Training of Private and Public Sector Officials

Objectives

- Training personnel to provide investors with basic, up-to-date information about Jordan's economy, investment climate and the opportunities presented by the FTA and other trade agreements
- Creating a set of criteria for the selection of commercial officers at Jordanian embassies and other government organizations.

Implementation Possibilities for Member Organizations

- Conduct FTA training courses directed toward the officers at the Jordanian Embassies and at other Jordanian public and private organizations.
- Develop training course about Jordanian entities and their scope of work
- Conduct a management-training course on handling investors' inquiries/complaints and how to build trust with them
- Conduct training course on promoting Jordan competitiveness and providing trainees with tools and means of promotion campaigns.
- Resources to be calculated depending on the experts' fees, the expansion of the program and number of trainees
- Implementation of program would require about five months

Jordan – US Business Council & Memorandums of Understanding

Objectives

- Creating a platform for discussion on the organization level between Jordanian and US business associations
- Organization joint activities for Jordanian and US businesses
- Ensuring that customs' documentation and procedures relating to rules of origin criteria are mutually acceptable by both governments

Implementation Possibilities for Member Organizations

- Gather all information on Jordanian companies with export potential by dividing them into their sectors.
- Select a number of Jordanian companies that represent the major sectors in Jordan in order to create the Business Council.
- Contact the Jordanian Embassy in the US to coordinate meetings with the US companies and the Business Council.
- Cooperate efforts between the Jordanian and U.S. Customs Departments to ensure proper implementation of customs procedures in both countries.
- Survey Jordanian and US customs procedures in determining rules of origin criteria.
- This program will require 6 months for full implementation

Washington DC Office

Objectives Marketing Jordan's competitiveness in the light of the preferential access to U.S through the FTA

- Serving as a liaison between Jordanian and US companies
- Organizing matchmaking events
- Responding to inquiries

Implementation Possibilities for Member Organizations

- Consult with the Jordanian Embassy in the US on the possibility of establishing the office within the Embassy's premises.
- Conduct meetings with representatives from various public and private sectors to get feedback on how Jordan can be promoted through the Washington office.