



## **Economic Modernisation Vision**

Unleashing potential to build the future



“

We want a future where we reclaim our leadership in education, advance our economy, and bolster our public sector’s efficiency and capacity; a future in which our private sector thrives with opportunities increasing fairly to counter poverty and unemployment, and curtail inequality; a future that empowers our youths to soar in the skies of innovation.

Abdullah II Ibn Al Hussein  
January 30, 2022

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# 1. Preface

His Majesty King Abdullah II, in a letter on January 30, 2022 addressed the Jordanian people on his 60th birthday, highlighted the aspirations for Jordan's future, within a comprehensive national vision that spans across governments and engages all.

In his letter, His Majesty the King expressed his pride of what Jordanians have accomplished; "despite the magnitude of the hardships and challenges, they continue to prove, time after time, that their will, determination, and awareness are stronger than the fiercest storm". Furthermore, His Majesty reiterated that Jordan's aspirations have no limit, rooted in HM's deep belief that "we can build the bright future we all desire".

Referring to parameters of the desired future, His Majesty sees "a bright future where we fortify our security and stability, and move ahead on the path of development towards further excellence, achievements, and innovation; a future where we reclaim our leadership in education, advance our economy, and bolster our public sector's efficiency and capacity; a future in which our private sector thrives, with opportunities increasing fairly to counter poverty and unemployment, and curtail inequality; a future that empowers our youths to soar in the skies of innovation".

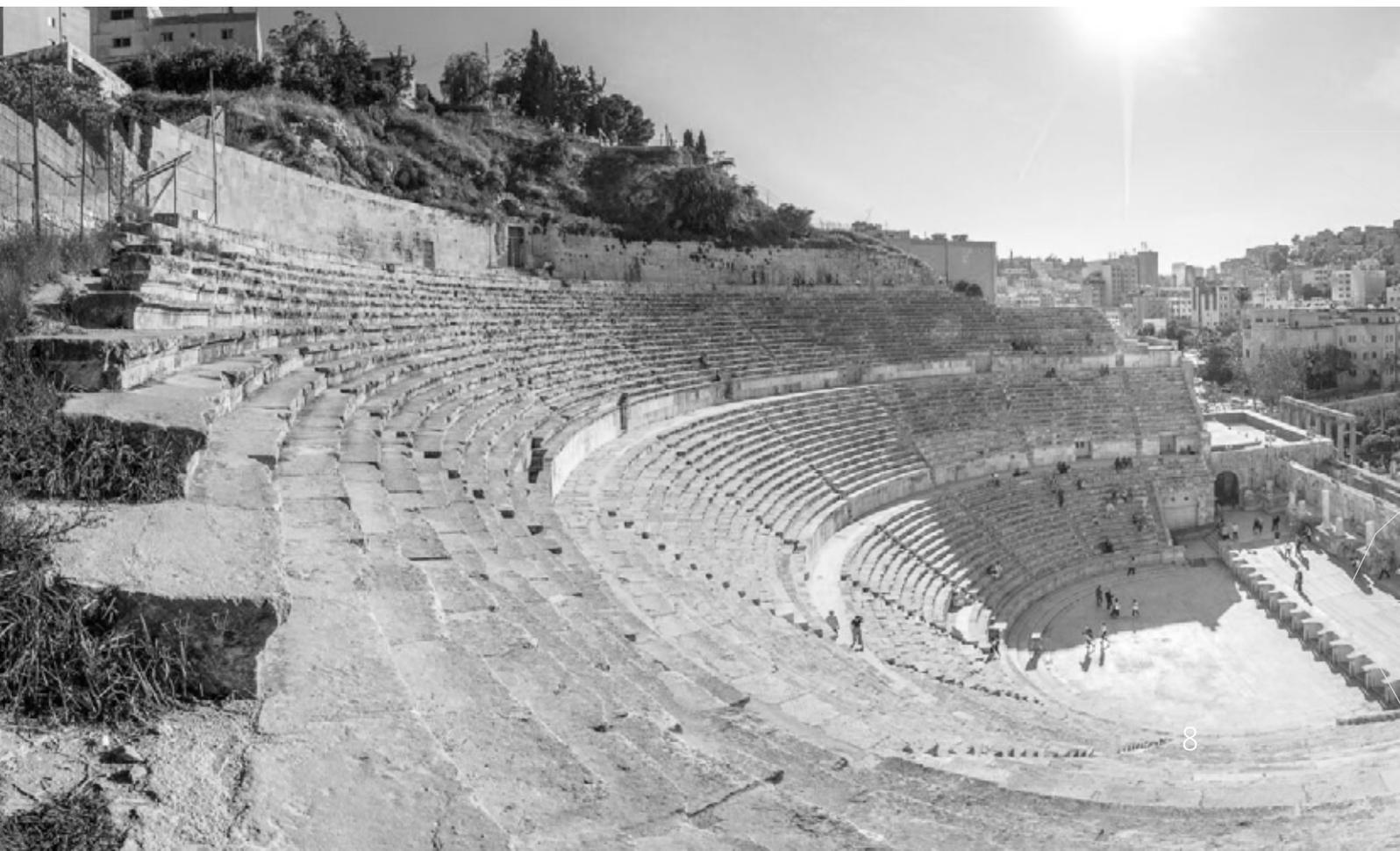
His Majesty also highlighted that "we want a future of excellence and creativity, that is open to change and development, accepts new ideas, and embraces diversity while building on our shared values, so that we remain a symbol of tolerance and altruism. These are the values enshrined by Jordan and that make our country a model of progress, openness, moderation, and authenticity".

To this end, His Majesty instructed to identify and implement the necessary steps to attract foreign investments while boosting domestic ones. His Majesty directed to "set a clear roadmap tied to a timeframe to overcome obstacles to private sector growth and address issues plaguing institutional work at the administrative level".

“Pessimism does not build futures. Despair does not provide solutions. And we will not move a step forward unless our ambition is relentless”. His Majesty believes that only through strong will, consensus and ambition will Jordan be able to achieve the future we aspire to. His Majesty assured that “citizens are key partners in expediting positive change and benefiting from it. We must all stand in unity against those who seek to maintain the status quo to protect their personal interests, or out of fear of stepping out of their comfort zones and putting in the needed efforts and sacrifices for the benefit of all”.

Furthermore, His Majesty stated “I do not see a place for us but at the forefront of change, according to a comprehensive national vision, with clarity of purpose and methodology; unhindered by hesitation, improvisation, or narrow interests; moving forward in implementation, supported by administrative and economic reforms”.

Accordingly, His Majesty instructed the Royal Hashemite Court to “start organising a national workshop that brings together economic experts, in cooperation with the government, to devise a comprehensive vision and a roadmap for the coming years that guarantees unleashing Jordan’s potential to achieve sustainable, comprehensive growth that doubles job opportunities, expands the middle class, and improves living conditions to ensure a better quality of life for citizens”.



Achieving this vision requires “intensive efforts to reinforce our points of strength and address points of weakness in planning and implementation. **We must step up performance in various sectors and provide all Jordanians with the opportunities and services befitting them**”. Therefore, His Majesty called for an execution mechanism that “ensures close follow-up on the implementation of this vision across all sectors, and to ensure the necessary steps are taken to overcome obstacles”. This mechanism will be in place to “guarantee continuous progress by governments and officials, without the redrafting of plans and strategies as one government replaces another”.

In closing, His Majesty reassured his people that this vision will proceed under his close follow-up in a manner that ensures that its plans and programmes form the “reference point for all government designation letters, with each government building on the achievements of its predecessor, and achievements continue, bearing fruit as comprehensive reforms, efficient services, economic and administrative development, and job opportunities”.





## 2. Executive Summary

Jordan's Economic Modernisation Vision centers on the slogan of "A Better Future", and is based on two strategic pillars: (i) accelerated growth through unleashing Jordan's full economic potential; (ii) improved quality of life for all citizens, while sustainability is a cornerstone of this future vision.

Through the first pillar, Jordan can achieve leaps in economic growth and create job opportunities in the next decade, with the continuous growth of citizens' per capita income. Through the second pillar, it can realise significant improvement in the quality of life for Jordanians, standing at the forefront of countries in the region in this regard.

The vision reflects the collective, tireless and constructive efforts and discussions that took place over several months among different stakeholders. More than 500 experts came together from the private and public sectors, Parliament, academia, civil society, media, development partners and civil society, and participated in a national dialogue; "National Economic Workshop". All stakeholders contributed to set a point of departure, identified Jordan's strengths and competitive advantages, diagnosed the status quo including challenges impeding growth and development and lessons learnt from previous visions and plans; thus contributing to the new vision.

The discussions were formed whereby sectoral roadmaps were developed with a specific achievement timeline, KPIs and relevant implementation stakeholders. Simultaneously, a similar effort took place to identify linkages across these sectors and their overall impact on GDP and economic opportunities creation.

Accordingly, the vision will be implemented through eight economic growth drivers, covering 35 main sectors and sub-sectors and more than 360 initiatives. Initiatives cards were developed, including objectives, Implementation timeline, key performance indicators and responsible implementation stakeholders.

**Figure (1): Growth Drivers to implement the Economic Modernisation Vision**



Moreover, a roadmap was prepared for quick actions that can be executed during the remaining period of 2022. Subsequent actions post 2022 were categorised into short-term, medium-term and long-term for the government to develop detailed action plans for execution.

**Figure (2): Strategic Objectives of Economic Growth Drivers**

Objectives	
 High Value Industries	Develop Jordan into a regional industrial hub through high growth exports with high quality and value products
 Future Services	Achieve excellence in services sectors to enhance national development and increase exports of services on regional and global levels
 Destination Jordan	Position Jordan as a prime tourism and film production destination
 Smart Jordan	Develop and prepare local talents to meet the needs of future skills, required resources and institutions to accelerate economic growth and enhance quality of life
 Sustainable Resources	Optimise the use of natural resources to ensure sustainability, unleash inclusive sectoral growth and enhance quality of life
 Invest Jordan	Stimulate domestic and foreign investments through an attractive and efficient investment and doing business ecosystem
 Green Jordan	Support sustainable practices as a pillar of Jordan's future economic growth and enhance quality of life
 Vibrant Jordan	Improve quality of life for Jordanians through developing and adopting higher life standards that revolve around the citizen and the environment

**The Economic Modernisation Vision seeks to:**

1. Ensure transparency in providing information related to national goals and priorities.
2. Determine comparative and competitive advantages that Jordan can capitalise on to stimulate growth and create economic opportunities.
3. Unify efforts of ministries and public institutions to support the achievement of the national strategic goals within a clear roadmap.
4. Direct national planning towards strategic thinking to ensure the delivery of national goals in a better and sustainable manner than being achieved through tactical actions.

5. Enhance decision-making and policy development to make it data-driven and evidence-based to minimise changes and populist decisions to ensure more strategic decisions.
6. Strengthen the capacity for accountability and follow-up, and enable necessary interventions to improve the implementation process and performance measurement.
7. Propose a roadmap for political parties to interact with when developing their programmes or suggest alternatives that are in line with the vision priorities.
8. Enrich the cooperation agenda with Jordan's development partners to direct support towards the priorities set by the vision.

As the main challenge lies in implementation, particular focus was placed on developing a mechanism responsible for rigorous follow-up on vision execution across all sectors, and enable taking the required steps to ensure continuity of implementation and overcoming any obstacles thereof. This necessitates strengthening the roles of the Prime Ministry Delivery Unit (PMDU) and delivery units in ministries and public institutions, as well as support extended by the Ministry of Planning and International Cooperation to line ministries through the coordination of strategic planning, while the Royal Hashemite Court will monitor progress in accordance with the tasks assigned to the government in Letters of Designation.

## 3. Economic Modernisation Vision

### 3.1 Rationale and Motives

Jordan has maintained its resilience and in spite of the multiple exogenous shocks, the country has faced for over a decade. These include the global financial crisis and its implications, the Arab Spring, the rise of terrorism in the region, the Syrian crisis and the overwhelming refugee influx, COVID-19 pandemic, and most recently the impacts of the Russia-Ukraine crisis, particularly the disruption of supply chains and increased inflationary pressures.

According to a set of global indices 2019-2021 (Figure 3), Jordan's performance ranges between average and above average in some of them, which is a testament to the country's successes and a strong foundation for which new achievements can be built upon.

Jordan's particular strengths lie in the following indices: Environmental Performance Index, Corruption Perception Index and Global Entrepreneurship Index. Jordan performs average on Global Competitiveness Index, Economic Complexity Index, Competitive Industrial Performance Index, Legatum Index, Social Progress Index, and Global Talent Competitiveness Index. Areas of improvement include Global Innovation Index, Human Development Index, E-government Development Index, Global Gender Gap Index, and Women, Business and the Law in addition to improving limitations on the ability to attract foreign direct investments.

**Figure (3): Jordan's Ranking amongst Global Indicators (2019-2021)**

Indicators	Jordan's Ranking					
	Q1	Q2	Q3	Q4	Q5	Ranking
Global Competitiveness Index 2019			●			70/141
Economic Complexity Index 2020			●			63/127
Competitive Industrial Performance Index 2020			●			76/152
Ease of Doing Business 2020		●				75/190
Global Innovation Index 2021				●		81/132
Human Development Index 2020				●		102/189
Environmental Performance Index 2020		●				48/180
Social Progress Index 2021			●			83/168
Corruption Perception Index 2021		●				58/180
Political Stability Index 2020				●		137/213
Legatum Prosperity Index 2021			●			81/167
Global Talent Competitiveness Index, 2021			●			63/134
Global Entrepreneurship Index, 2019		●				63/137
Global Gender Gap Index, 2021					●	131/156
Women, Business & Law Index, 2022					●	177/190
E-Government Development Index, 2020				●		117/193
FDI Restrictiveness Index, 2020					●	76/87

● Above   ● Average   ● Below

Source: World Economic Forum; Harvard Edu; UNIDO; Doing Business; UNDP; Yale EPI; Social Progress; Transparency International; World Bank; OECD; GEDI; INSEAD

Taking a closer look at the 2019 Global Competitiveness Index / GCI (Figure 4), published by the World Economic Forum, Jordan is in the middle of the index with an overall rank of 70 out of 141 countries. Jordan's performance ranks in the centre quintile for the majority of the index's pillars. Key strengths are in institutions, health, and financial system, while areas of improvement include macroeconomic stability and business dynamism.

Figure (4): Jordan's Ranking amongst Global Indicators (2019-2021)

Indicators	Jordan's Ranking					
	Q1	Q2	Q3	Q4	Q5	Ranking
Overall Rank			●			70
Institutions		●				46
Infrastructure			●			74
ICT adoption			●			82
Macro-economic stability				●		111
Health		●				45
Skills			●			58
Product market			●			61
Labour market			●			84
Financial system		●				33
Market size			●			80
Business dynamism				●		88
Innovation capability			●			64

Above
  Average
  Below

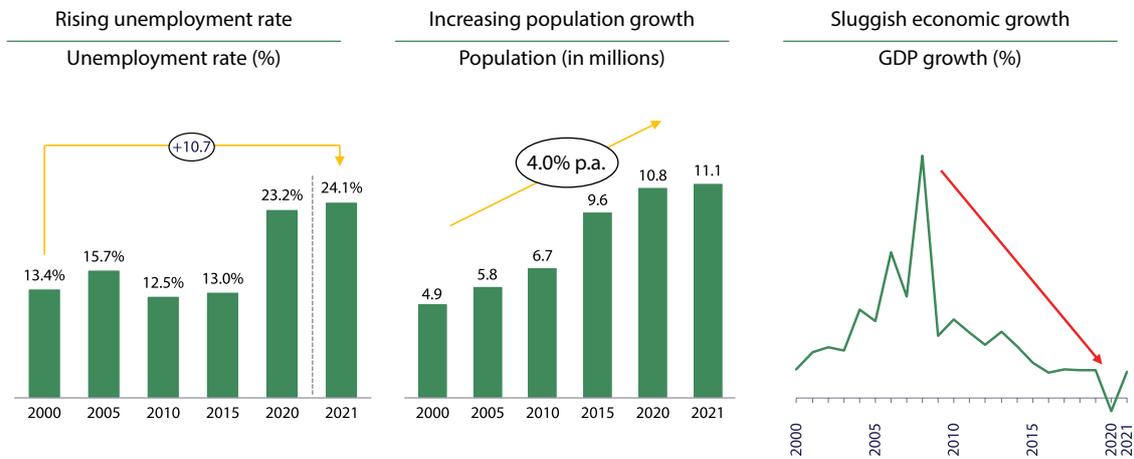
Source: World Economic Forum – Global Competitiveness Report 2019

The modest performance of the Jordanian economy, as a result of impacts of regional global circumstances and the population growth (including refugees), has led to high unemployment rates, especially among the youth and females, in addition to poor performance in a number of global indices.

Today, the major challenge facing the Jordanian economy is the absorption of more than one million young Jordanians in the job market over the next decade. This vision aims to expand key sectors by identifying employment and economic growth drivers, which focus on unlocking the full economic potential to enable the economy to provide such opportunities.



**Figure (5): Economic Growth,  
Population Growth & Unemployment Rates in Jordan (2000-2021)**



The situation was aggravated by weak domestic demand, declines in foreign and local investments, lack of focus on strategic sectors as national growth drivers, deteriorating productivity and operational competitiveness, in addition to weaknesses in innovation and rising costs, especially energy.

While Jordan has adopted a number of strategies and plans in the past, yet they did not capitalise on Jordan's full economic potential, which calls for:

1. The need for the implemented plans to be more effective, with priorities set in areas of high growth potential. This includes the adoption of a vision that becomes a reference for all sectoral strategies and related action plans.
2. Comprehensiveness of sectoral strategies and related action plans as well as creating a balance among short, medium and long-term goals.
3. Effective implementation by accelerating the pace of work in the public sector; putting in place key performance indicators (qualitative and quantitative) and evaluation mechanisms; identifying risks and adopting escalation procedures in the event of underperformance.
4. Availability of data and the need for comprehensive and regularly updated data as a point of reference to facilitate evidence-based decision and policy-making; thus allowing the implementation process to be properly monitored and evaluated.

5. Strong institutional performance and improved coordination. Strategies and plans must be aligned with the goals of the vision, which requires proper empowerment of secretaries-generals and senior officials, as well as sustainable mechanisms in case of job succession.
6. Enthusiasm to support change, strengthen confidence in the set goals and programmes, in addition to adopting proper change management systems that includes training, motivation and open communication channels.

The current situation necessitates building a new vision that will bring the economy to a sustainable and accelerated growth trajectory in order to double job opportunities over the next decade, ensure better quality of life for Jordanians, unleash Jordan's full economic potentials, promote self-reliance, and capitalise on the Kingdom's strengths. These include providing youth with quality education and ability to innovate, solid business infrastructure, strategic location, a promising start-up scene, strong relations with development partners, resilient economy in light of regional and global dynamics, and solid political environment.

On the transformational side, newly emerging technologies in the areas of enhanced connectivity, artificial intelligence, or smart technologies such as the fourth industrial revolution will be playing a pivotal role, in addition to newly emerging products and markets in the region or beyond.

Change requires investing in opportunities to create sustainable value, and through the Economic Modernisation Vision and its related Roadmap, Jordan will be able to capture its full potential to serve the potential and upcoming development and investment projects.

As a nation, we need to capitalise on future change. This not only requires putting in place the needed economic plans and policies, but also a fundamental transformation in the mindset as we seek to adapt to these changes through flexibility and pragmatism.

### 3.2 Methodology Adopted

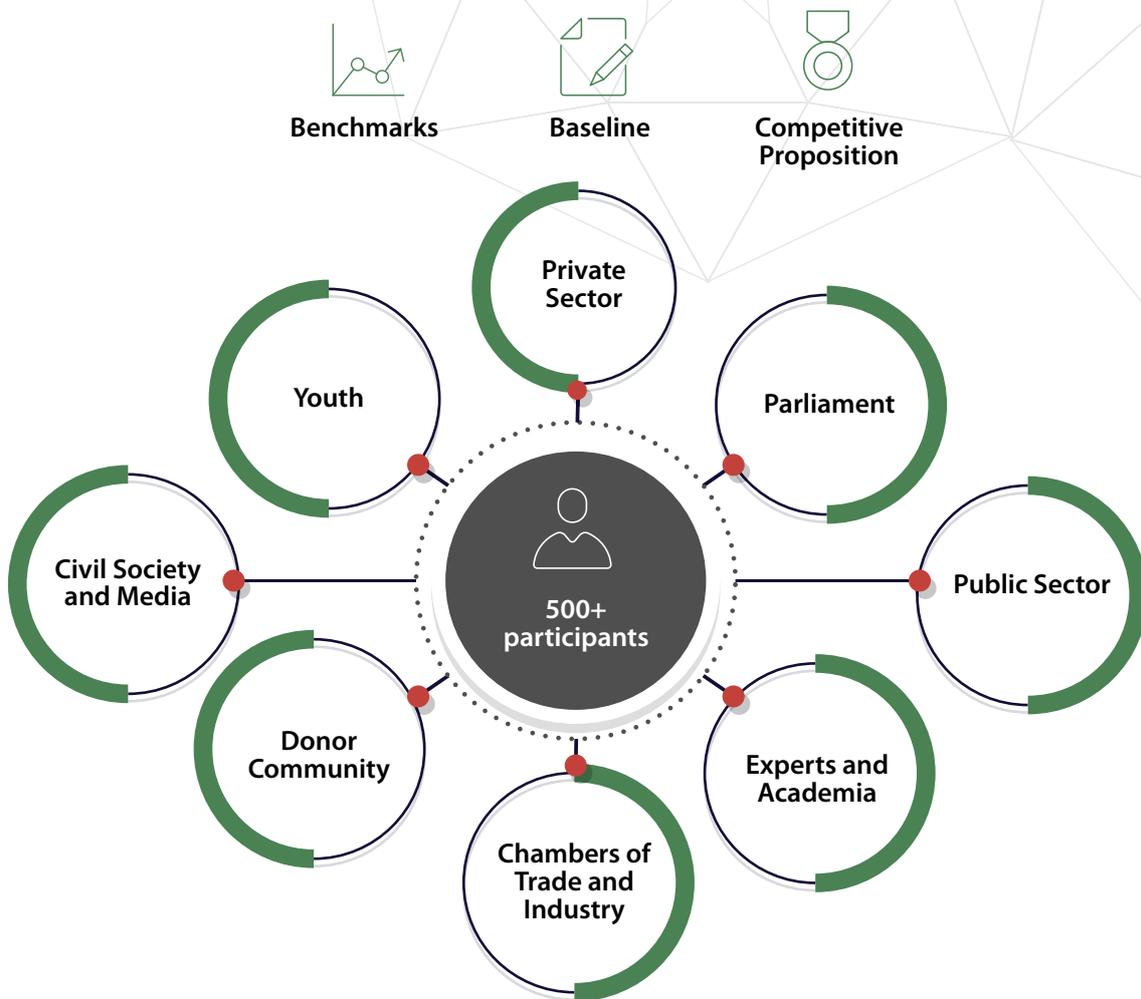
Jordan's Economic Modernisation Vision and its related roadmap emerged through a collaborative, data-driven and market-driven approach that resulted in tangible, ambitious, and practical solutions and recommendations.

The baseline for the adopted methodology was set by assessing Jordan's achievements and challenges, analysing Jordan's competitive position against other countries in the region and beyond, as well as reviewing national development strategies of other peer countries. These inputs provided a factual and outward looking foundation to explore relevant development options and strategic priorities for Jordan. The analyses were strongly driven by a multi-month and multi-disciplinary engagement process involving various experts. Strong emphasis was placed on understanding the sectors of Jordan's economy and their potential as well as new development opportunities resulting from current global trends and market shifts. In parallel, economic modeling supported the development of growth scenarios for Jordan, and the assessment of a wide range of options.

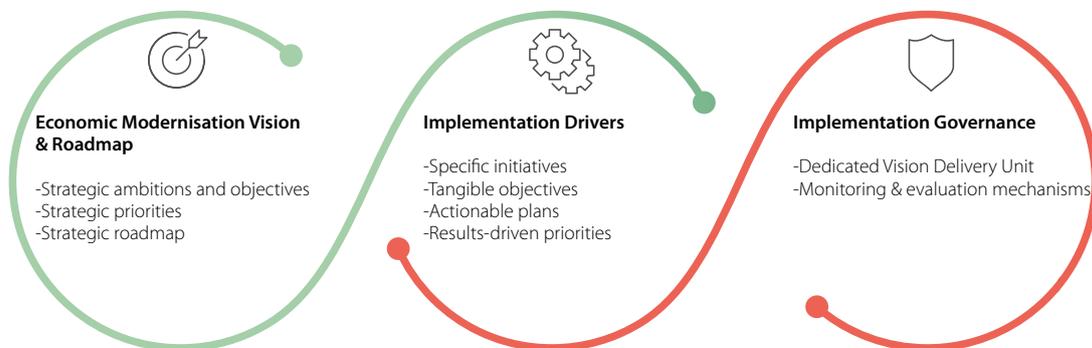
The result is an ambitious and actionable roadmap for the next ten years that will serve as a reference point for the development of executive sectoral programmes and plans. This roadmap, through setting future priorities and goals, aims to ensure consistency of efforts and continuity of implementation in a dynamic changing environment.

Figure (6): Vision Preparation Approach

Highly inclusive and externally driven



**Outputs**



### 3.3 Vision Characteristics

The Economic Modernisation Vision and its related Roadmap is fundamentally different from past exercises with regards to the preparation approach adopted and the desired outcomes produced. Nonetheless, it was developed by building on successes of previous outcomes and experiences. The preparation of the vision is characterised by five features to ensure its success and effective implementation:

1. **Inclusiveness and participation:** Over 500 experts from different economic sectors in an interactive platform.
2. **Growth stimulation:** The work was centered around finding new ways to fully unleash Jordan's growth and development potential, and the creation of attractive job opportunities with the continuous quest for the advancement of quality of life.
3. **Find effective solutions and avoid unimplementable theories:** Importance on finding effective solutions, taking into account the synergies among sectors, while making decisions based on data and facts.
4. **Accountability:** The implementation governance design is built to manage the achievement of actual results, with clear accountability mechanisms in the event of non-implementation or failure to reach the desired results—considering flexibility, while claiming the need for some changes.
5. **Learn from past experiences:** This work differs from the previous visions and plans that have not achieved their full potential, by benefiting from lessons learnt to be a starting point for adopting best practices to ensure success in the future.

Figure (7): Vision Characteristics

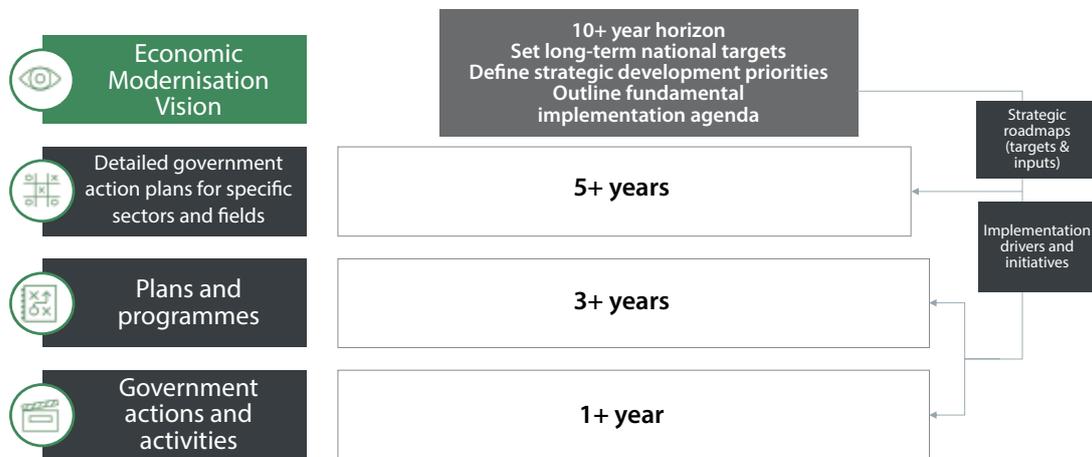


### 3.4 Implementation Framework

The purpose of the Vision is to set long-term national targets for Jordan, define the strategic development priorities, and outline a fundamental implementation roadmap. The project leads to the formulation of the vision with a fact-based “point of departure” assessment of the sector. This is followed by identified avenues for development and key issues to be addressed, articulating a desirable and feasible target state of the sector (sector vision and high-level strategy), outlining future contributions to economic growth and opportunity creation, and flagging key investment priorities to bring the full potential of the sector to life.

In the spirit of a national vision, the exercise did not rely on detailed analyses at sectoral levels, but made extensive use of inputs provided by the participants as part of the national dialogue sessions, expert guidance, industry research, and benchmarking with peer countries. Therefore, the vision is a collective national effort that defines the roadmap and proposes key priorities for each sector as well as national programmes to ensure alignment and delivery.

**Figure (8): Vision's Executive Framework**



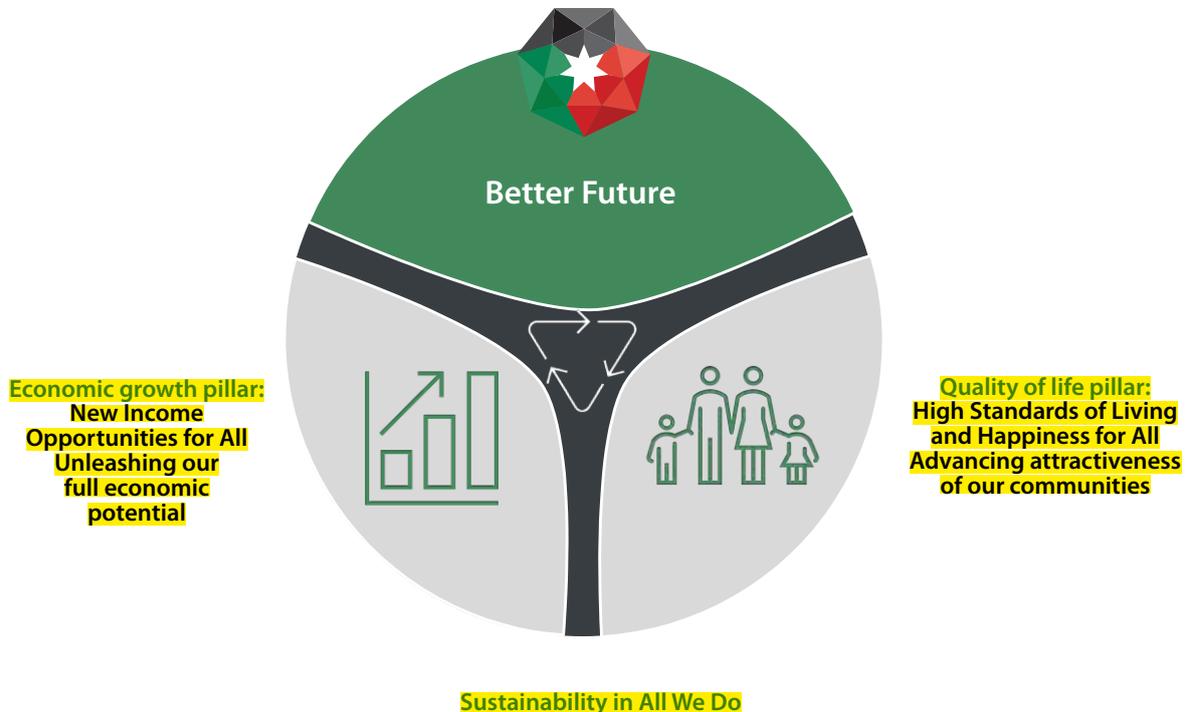
The Vision offers a set of strategic objectives and clarifies the roles and duties of the government, including ministries and other institutions. This includes the preparation of detailed sectoral plans or the updating of existing ones, and developing action plans for each sector and timeframes for each, including setting benchmarks and performance indicators. The Vision also takes into account alignment with execution limitations, such as available financial resources and technical capabilities.

# 4. The Way Towards the Future

## 4.1 Vision's Pillars

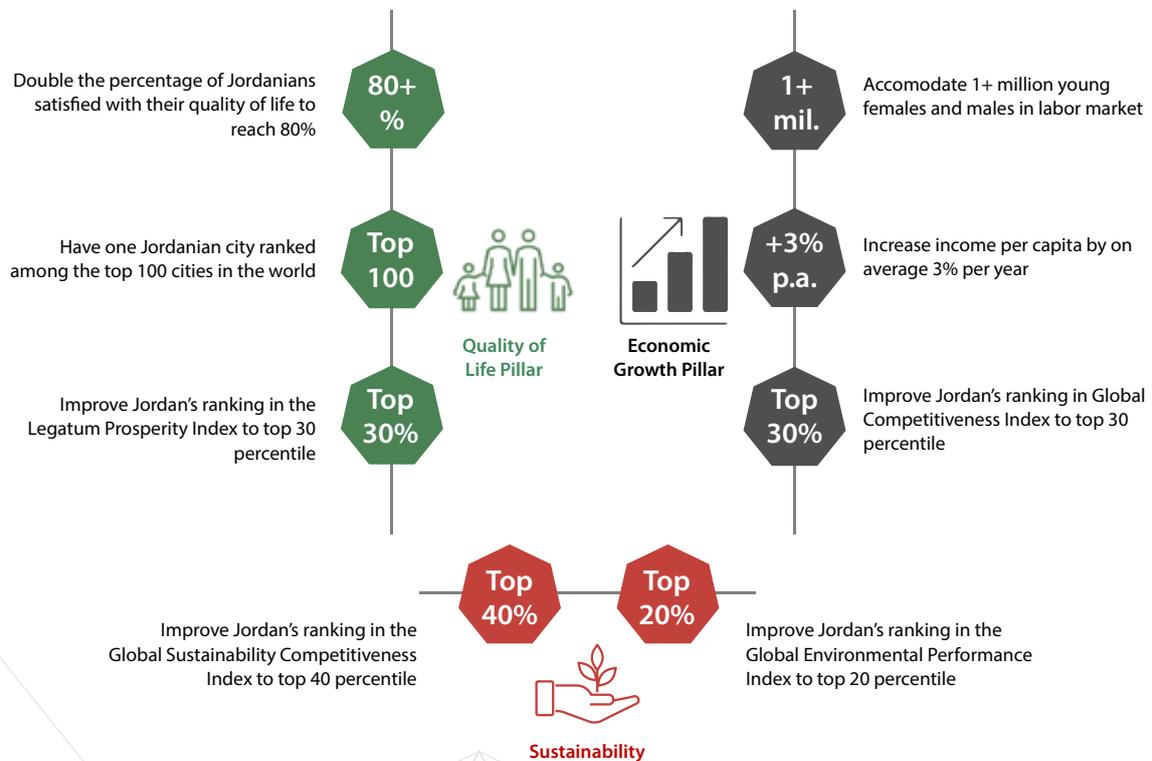
The Economic Modernisation Vision and its Roadmap is based on two strategic pillars: a pillar focused on accelerating sustainable and inclusive growth by unleashing Jordan's full economic potential, while the second is centered on society, targeting the improvement of quality of life of all Jordanians to secure a better future for all. The two pillars are underpinned by sustainability.

Figure (9): Vision's Two Main Pillars



These two pillars address the two key challenges facing Jordan and the Jordanian people; sustainable income opportunities and improving the quality of life. These were derived from a comprehensive national survey conducted by research experts and a sample of 2500 Jordanians (females and males) during the Vision development efforts, and through engagement with a wide variety of stakeholders that represent all societal segments in Jordan across all governorates.

**Figure (10): Vision's Strategic Goals**



Through the economic pillar, Jordan is expected to create leaps in economic growth to accommodate 1 million young females and males in labor market over next decade. A precursor for achieving these goals is substantially enhancing Jordan's international competitiveness across all underlying drivers, from the quality of Jordan's hard and soft infrastructure, to legal environment, to ease of doing business, and to Jordan's ability to create world-leading innovative skills.

Through the "Quality of Life" pillar, all generations can enjoy a good lifestyle to make Jordan one of the best countries in the region in terms of quality life and prosperity.

The two pillars and their goals are also closely interrelated. Creating sound economic growth will provide the foundation to fund the required infrastructure for the quality of life pillar, and the targeted increase in income will allow citizens to spend on the lifestyle options that they choose to have. Better income and the creation of future jobs will allow people to make purchases and investments, which will improve citizens' satisfaction with their lives, and in turn contribute to economic growth. In addition, inclusive green growth will create a cleaner and more sustainable living environment for all citizens while triggering innovative growth opportunities in green products and services. Further, a domestic market with strong growth momentum from consumer spending will reinforce the export-driven growth strategy. Given the close connections between the two pillars, it will be of critical importance to maximise the synergies between them.

#### **4.1.1 Unleashing Jordan's Full Economic Potential**

Accelerating Jordan's economic growth will be paramount to creating the necessary jobs sufficient to meet the requirements of the future job market, and reducing the unemployment rate. Creating 1+ million new job opportunities will require building on Jordan's existing strengths, as well as identifying and creating new strengths in different areas to capture future opportunities.

Realising such a leap will require activating Jordan's economic growth engine, as the domestic market alone will not provide the necessary thrust. Leadership and innovation in exports will require the attraction of additional foreign and domestic direct investment with international investors leveraging Jordan's strategic location and FTAs as a hub to fuel their global growth and market outreach.

To become an attractive location, Jordan will need to make significant improvements in the underlying enablers in areas such as ease of doing business, infrastructure, competitive input costs, the availability of specific skills and high levels of productivity, or the ability to innovate in areas of future growth such as manufacturing, mining, tourism and creative industries.

While job creation is at the top of the agenda, improving the purchasing power for all Jordanians is another imperative strategic goal within the economic pillar. A jump in job creation in conjunction with meaningful and continuous income level improvements will form the centerpiece of economic growth, and will lead to tangible results that can be experienced in the daily life of all Jordanians.

The economic growth pillar will pursue three Vision goals:

1. Create 1+ million new income opportunities for Jordanians by 2033
2. Increase the real income per capita by 3% per year on average
3. Improve Jordan's ranking in the WEF Global Competitiveness Index to top 30<sup>th</sup> percentile



#### 4.1.2 Enhancing the Quality of Life for all Jordanians

Every citizen is affected by the quality of life every day, and it directly influences the citizen's contentment and productivity. Ensuring that Jordan has a world-class standard of living is vital for the country's long-term development.

The Vision will help boost the foundations of livability, such as high quality and affordable housing, robust infrastructure, high quality education and healthcare, in addition to a clean and sustainable environment. Moreover, the Vision will target the development of enhanced offerings to make life truly enjoyable through attractive recreational offerings, culture and sports, shopping, and travel options. The strategic roadmap will integrate all quality of life elements in a cohesive manner.

The quality of life pillar will pursue three vision goals:

1. Double the percentage of Jordanians who are satisfied with their quality of life to reach 80%
2. Classify one Jordanian city ranked among the top 100 cities in the world
3. Improve Jordan's ranking in the Legatum Prosperity Index to top 30<sup>th</sup> percentile

These three strategic goals will ensure Jordan has a highly focused quality of life agenda, which highlights citizens and their satisfaction as the focus of attention.

It is also worth noting that raising the quality of life can attract talents and capabilities that are conducive to economic growth.

## 4.2 Sustainability

Through the Vision and its Roadmap, Jordan will continue its efforts to tackle needs related climate change (including delivering on the Paris Agreement), food security and water, and availability of clean energy. Since sustainability is a core pillar of this Vision, Jordan will continue its efforts to achieve the Sustainable Development Goals, compatibility with global approach towards a green economy, and attract investments into sustainable projects which would also facilitate greater access to green financing.

Sustainability is expected to help promote creating new phase of economic growth by fueling investments (both domestic and international) in greener projects (technologies, infrastructure and products), sparking entrepreneurial and innovative solutions, enhancing the export competitiveness of our nation and ultimately, creating high quality and sustainable jobs for the future. Jordan aims to be a low-carbon, resource efficient and socially inclusive nation that serves as a regional hub for green entrepreneurship and innovation. Sustainability will be a key element in Kingdom's economic future, in particular:

1. Expanding on renewable energy, including new sources of energy (such as hydrogen) and continuously promoting improved energy efficiency
2. Developing sustainable transport systems and establishment of a network of electric charging stations
3. Increasing ecotourism and environmentally friendly activities
4. Adopting modern agricultural techniques that adapt to climate change, including integrating best and environmentally friendly practices
5. Promoting improved water efficiency, water quality, and identifying new water resources
6. Improving waste management, recycling and reuse

Sustainability in the way citizens aspire to live is important. It will help ensure that the environment citizens live in is clean and well protected, future cities are greener and more livable, and ultimately, the way they move, consume and live does not have a negative impact on Jordan and the world. Having a well-preserved, protected and fresh environment is fundamental for a thriving natural ecosystem, biodiversity and habitats in Jordan that will reduce emissions and increase the percentage of protected areas. Adopting sustainable practices and investing in innovative solutions will foster sustainable agriculture practices across Jordan to provide high quality, nutritious and fresh food to Jordanians, while at the same time protecting one of our most precious resources, water, of which ~50% is currently consumed by the agriculture sector. Developing greener urban centers includes the electrification of the transportation network, well-integrated communities, increasing green spaces, exposure to nature and providing opportunities for a more active lifestyle.

**A sustainable Jordan will be a strong contributor to a better world for the future, which is well aligned with the United Nations Sustainable Development Goals, in particular the following goals: no poverty, zero hunger, good health and wellbeing, quality education, gender equality, clean water and sanitation, affordable and clean energy, economic growth, industry, innovation and infrastructure, reduced inequalities, sustainable cities and communities, responsible consumptions and production, life below water, life on land, and climate action. Green growth of the Jordanian economy will be based on resource efficiency, circularity, climate responsiveness, nature protection, human well-being and social inclusion.**

The sustainability theme will pursue two Vision goals:

1. Improve Jordan's ranking in the Global Environmental Performance Index to top 20<sup>th</sup> percentile
2. Improve Jordan's ranking in the Global Sustainability Competitiveness Index to top 40<sup>th</sup> percentile

### 4.3 Strategic Objectives Framework

The Vision goals define bold long-term "destinations" for Jordan in the areas of job creation and income improvement, quality of life, and sustainability. They prescribe the future outcomes for the strategic roadmap that contains the specific strategic steps recommended to achieve these outcomes.

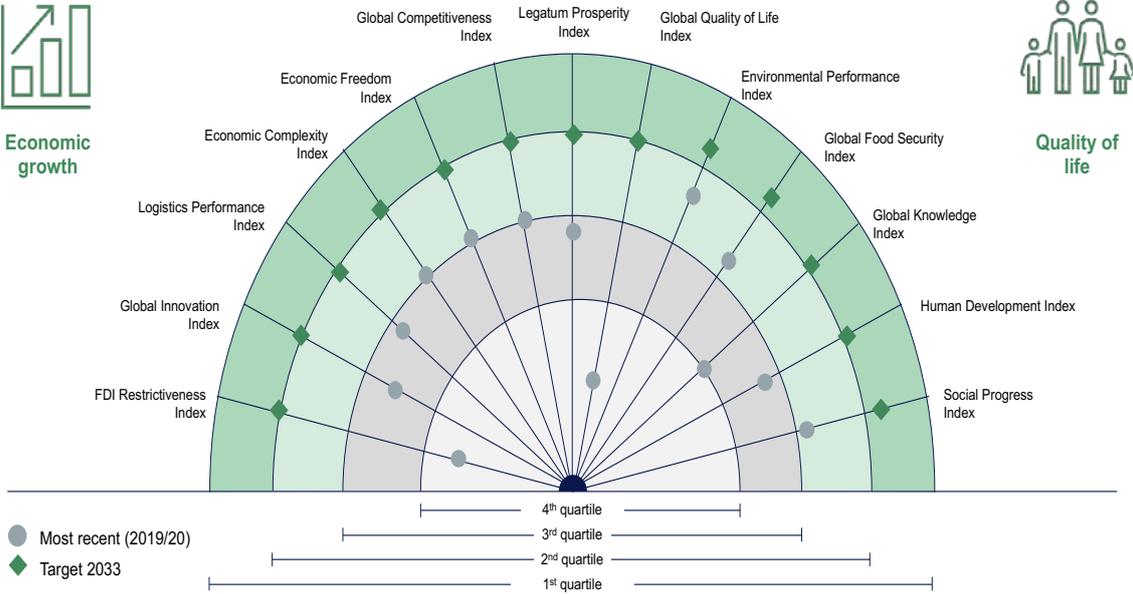
To keep Jordan on course towards realising these long-term goals, 8 overarching strategic objectives were defined, which are based on 72 goals, and focused on tangible actions and measurable steps.

Taking the economic growth pillar as an example, a suite of 34 goals will be used to guide the realisation

- The strategic objective of "job creation" will be guided through 5 goals, targeting a disproportionate reduction in unemployment rate, expat employment, informal employment as well as an increase in female and private sector employment.
- The strategic objective of "income growth" will be guided through 7 goals, targeting a disproportionate increase in GDP, economic diversity, role of "future" sectors, exports, FDI, domestic private investments, and rural area growth.
- The strategic objective of augmented "international economic competitiveness" will be guided through 9 goals, targeting quantum leaps in ease of doing business, market compatible skill supply, R&D and innovation, entrepreneurship, infrastructure quality, FDI attractiveness, corruption perception, IP protection, and electricity prices.

Similarly, 21 goals will guide the implementation of the quality of life pillar, and 17 goals will guide the realisation of long-term sustainability objectives.

### Figure (11): Key International Indicators to Track in Implementing the Vision



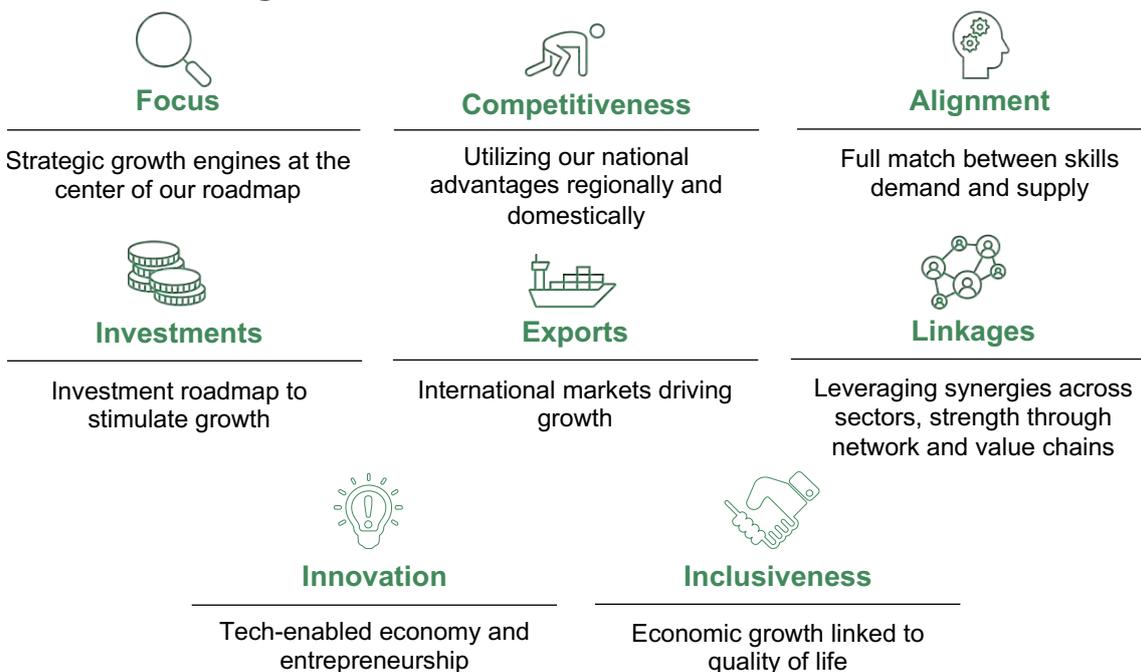
# 5. Economic Growth Pillar

## 5.1 Future Economic Growth Strategy

One of the two strategic pillars of the Economic Modernisation Vision is unleashing the full economic potential of Jordan over the coming decade, and focusing on emerging and high growth potential sectors, which will lead to increased economic opportunities for citizens. This is outlined by three key economic strategic goals of the Vision, which are creating income-generating opportunities for citizens, enhancing the real capita per income, and improving Jordan’s ranking in the WEF Global Competitiveness Index.

To unleash the full potential of Jordan’s economy, the economic growth pillar is built on 8 guiding principles, which are Focus, Competitiveness, Alignment, Investments, Exports, Linkages, Innovation and Inclusiveness.

**Figure (12): Economic Growth Pillar Guidelines**



## 5.2 Economic Growth Priorities

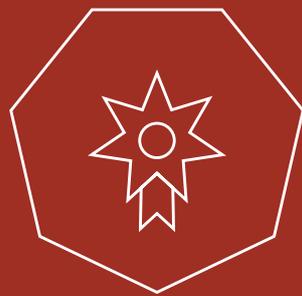
The economic growth priorities of the Economic Modernisation Vision are based on five growth drivers, owing to the interdependence among them. These include High-Value Industries, Future Services, Destination Jordan, Smart Jordan and Sustainable Resources.



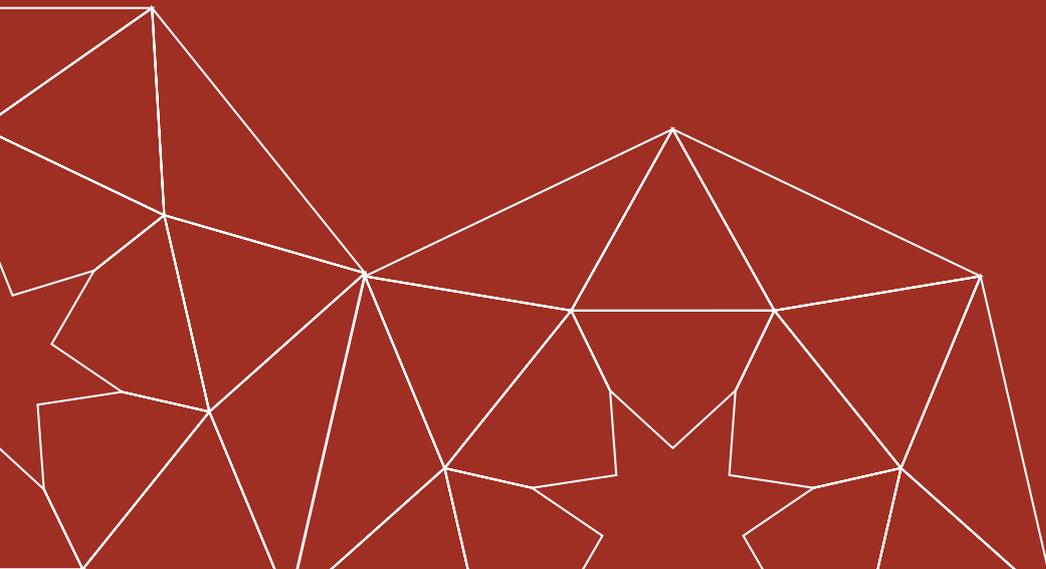
These five drivers are comprised of priority growth, development and success sectors and sub-sectors that create an enabling environment for future success and development, as well as others that enable growth in Jordan's exports and markets.

Figure (13): Priority Economic Sectors





## High-Value Industries



## High-Value Industries

### 1. Agriculture and Food Security

The agriculture sector is a key source of livelihood, especially in rural areas for Jordan. Arable land suffers from a lack of availability of water. The agriculture sector is highly water intensive, consuming more than 50% of Jordan's water, a figure that leads to the possibility of making use of wastewater for this purpose. Further, the sector is significantly fragmented leading to small-scale landholding, creating an unorganised sector with limited productivity of crops.

While Jordan is positioned next to high food demand markets, the low productivity and high cost of utilities affect its competitiveness to serve the region.

Food security in Jordan is given priority as the year 2021 witnessed the launch of the National Food Security Strategy (2021-2030). Similarly, in early 2022, Jordan launched its new National Plan for Sustainable Agriculture (2022-2025).

# Executive Summary Agriculture and Food Security

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- The agriculture sector represents a key source of living, especially in rural areas.
- The arable land suffers from water scarcity and lack of sufficient resources.
- Highly water-intensive sector, consuming >50% of Jordan's water (including wastewater use).
- Fragmented land plots and small-scale landholding resulted in an unorganized agri sector with limited crops productivity.
- Although Jordan is located near markets witnessing high food demand, the low productivity and high costs have negatively impacted its competitiveness to meet market demands.
- Poor legal framework to ensure and strengthen food security agenda in Jordan.

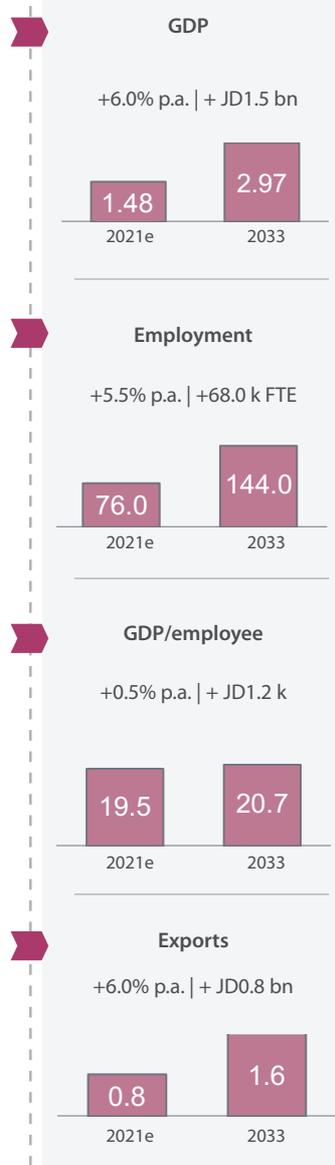
## 3 Strategic Potential and Priorities for Jordan

- Turn Jordan into a regional hub of high-quality agricultural produce while domestically ensuring sustainable food security to meet current and future needs.
- Modernise agriculture production: Leverage the latest AgTech and smart solutions to revamp agricultural production techniques and to enable Jordan to become a regional agri-food export hub.
- Develop agricultural food value chain: Enhance agri-food value-added by upgrading supply chain infrastructure, food manufacturing opportunities, and improving agricultural marketing of exports.
- Food security sustainability: Reduce food and agricultural loss and waste through digitization to ensure food security sustainability throughout Jordan.

## 4 Proposed Initiatives

- Establish a specialized food security governing body.
- Establish a national food security research center.
- Build a food data intelligence system.
- Reform agriculture and livestock regulations and policies.
- Establish the Integrated Agro-Industrial Food Park.
- Revamp supply/cold chain and infrastructure.
- Revisit agri financing and insurance programmes.
- Enhance agriculture marketing and promotion.
- Establish a system of cooperative societies and agricultural unions.
- Encourage Modernisation and innovation of the agricultural sector, and expand the use of modern technologies.
- Launch a centralized resource preservation initiative.
- Provide Agri education and vocational training for farmers' upskilling.
- Establish a food investment acceleration fund in Jordan.
- Support investment projects, AgTech, and R&D in FoodTech.
- Enhance food incubators and accelerators under MoA.
- Enhance the strategic stocks of grains, especially wheat and barley, and increasing the planted areas intended for these crops.

## 5 Direct economic impact of sector for Jordan (base case)



## 2. Mining

Jordan has a wide portfolio of mineral resources with distinct strengths in phosphate and potash (ranking 7<sup>th</sup> and 12<sup>th</sup>, respectively, in global reserves) and bromine. Additionally, Jordan has a wide range of industrial rocks such as silica and Basalt and strategic minerals such as lithium, copper, gold, rare earth elements, and huge reserves of oil shale.

The mining sector is expected to witness massive developments during the next decade in light of the increasing demand for industrial and agricultural products related to the use of modern technology.

To capitalise on the potential of the sector, the sector needs a new mining strategy or a national mining programme and availability of data and information, and geological surveys and studies related to exploration. Sector also requires increasing its competitiveness through provision of updated data, reduce exploration costs and any overlap with environmental policies to preserve nature and touristic sites.

# Executive Summary Mining

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Jordan has distinct strengths in phosphates and potash fields (#7 and #12 in global reserves respectively).
- High potential and abundant reserves of metallic and non-metallic minerals and construction materials.
- No national strategy or programme for the mining sector.
- Limited available information/data on mining opportunities in Jordan (lack of proper geological surveys and lack of data for investors).
- High input costs, reducing competitiveness.
- Current legal framework for the mining sector not aligned with leading practices.
- Mining activities often conflict with nature preservation practices.

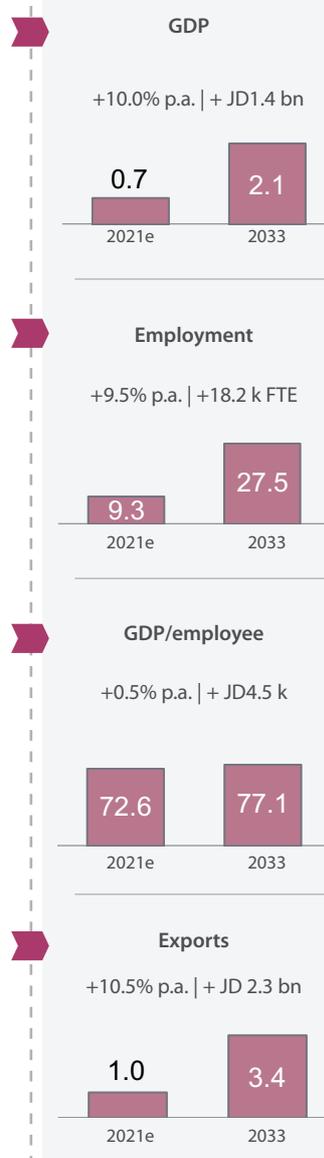
## 3 Strategic Potential and Priorities for Jordan

- Leverage Jordan's strategic location to become a key global player in the mining sector and its relevant industries.
- Phosphates and potash: Enable Jordan to become an effective and global leader in the phosphates and potash industries (branded high value added products, plant nutrition for specific crops, derivatives, downstream industries).
- Metallic minerals: Establish a portfolio/investment opportunities pipeline that targets promising product categories, and enable Jordan to become one of the primary investment destinations for international investors for this sector.
- Construction minerals: Strengthen domestic industries and capture export opportunities.
- Expand Phosphat and Postash mining volumes.

## 4 Proposed Initiatives

- Develop National Mining Strategy.
- Establish an independent body for conducting geological surveys and providing data related to surveys in accordance with international standards, and collect data from past surveys and certify them.
- Align mining laws, regulations and procedures with leading international standards/practices.
- Revamp fiscal regime and incentives.
- Attract and bolster Foreign Direct Investment (FDI) to the mining sector.
- Establish mid and downstream cluster projects for the mining sector.
- Establish mining sector funding scheme(s).
- Attract specialized talent to the Jordanian mining sector.
- Improve the logistics infrastructure that is relevant to the mining sector.
- Improve the mining sector's competitiveness through lower costs.
- Enhance mining technologies and techniques, and establish an R&D and innovation center to enter new fields, such as nitrogen fertilizers.
- Improve environmental, social and corporate governance within the sector.
- Launch an initiative for corporate social responsibility for the private sector and local communities.

## 5 Direct economic impact of sector for Jordan (base case)



### **3. Manufacturing**

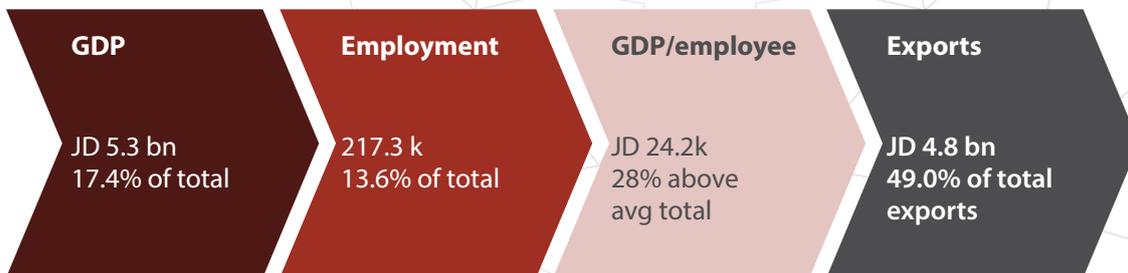
Manufacturing accounts for 17.4% of GDP and 49% of manufacturing exports, making it one of the most important sub-sectors.

The manufacturing sector is critical in its potential to provide job opportunities. It represents 13.6% of the total workforce in Jordan.

However, this sector suffers from a limited local market, high production costs, especially energy, shortage of skilled workers, weak linkages with research development, lack of proper transport and distribution to deliver natural gas to its facilities and weak export support. This makes the sector exposed to unfair competition and weakens its ability to exploit energy production capacity. It also cannot fully benefit from existing free trade agreements or attract new investments and industries.

# Executive Summary Manufacturing

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Manufacturing is Jordan's largest sector accounting for 17.4% of GDP.
- JD 15.1 bn of Jordan's manufacturing output is for exports, which is equivalent to 49.0% of total exports.
- Chemical production (esp. fertilizers), textiles, foods, pharmaceuticals are Jordan's major product lines.
- Key challenges include The small size of the domestic market limits the growth of industry dictating leveraging the FTAs for growth, which in turn requires reducing the cost of production (mainly energy), and differentiation of products R&D and innovation.

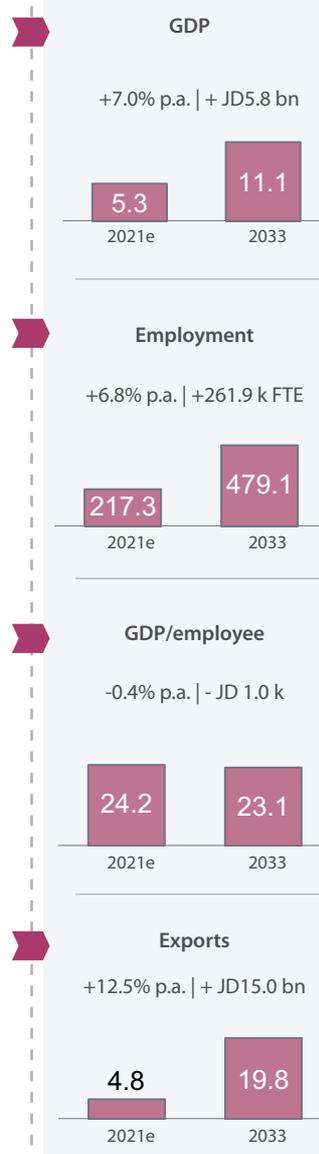
## 3 Strategic Potential and Priorities for Jordan

- Manufacturing will be a major growth engine of Jordan's economy by at least doubling the size of its GDP by 2033 and adding ~260k jobs.
- Growth will be centered around the strategic sub-sectors of chemical production, textiles, foods, pharmaceuticals, and engineered production. These sub-sectors are areas where Jordan can either play out a succinct competitive advantages or build new advantages, a strategy that will provide focus while maintaining diversity and risk balancing.
- Growth will be led by exports growing from ~35% to ~65% of outputs.
- Attract new non-existing industries.

## 4 Proposed Initiatives

- Support domestic products promotion programmes.
- Attract new investments in the existing manufacturing sub-sector and new sub-sectors.
- Reduce energy costs through lowering electricity tariff and deliver natural gas to industrial zones.
- Support SMEs in enhancing productivity and cost optimization.
- Enhance linkage between academia R&D and industry.
- Create manufacturing sector data center/database.
- Launch 'careers-in-manufacturing' attractiveness campaign.
- Promote entrepreneurship in manufacturing sector.
- Provide industry with trained workforce with improved attitude and better specialized and general skills.
- Launch 'women-in-manufacturing' careers initiative.
- Improve ease of doing business in regards to relations with public sector entities by streamlining laws, regulations, and processes.
- Promote public private partnerships (PPPs).
- Streamline laws, regulations, and processes.
- Develop detailed plans for the rollout of strategy manufacturing, including national manufacturing strategy.

## 5 Direct economic impact of sector for Jordan (base case)



### **3A) Manufacturing: Food Products**

The food industry represents about 27.6% of the industrial sector's contribution to the GDP, accounting for 17.8% of its exports, making it one of the most important sub-sectors within this sector.

Jordan has a well-developed food industry sector with a long history and good reputation, in which both domestic and imported raw materials are used.

The main challenges faced by the sector are: the high cost of production inputs (particularly energy), shortage of specialised talent, and limited domestic sourcing of raw materials.

# Executive Summary Food Production

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Food production is one of the largest manufacturing sub-sectors in Jordan accounting for 27.6% of manufacturing GDP and 17.8% of manufacturing exports.
- Long-standing position and reputation in food processing using domestic and imported raw materials.
- Key challenges include high production cost (namely electricity), lack of specialized talent, and limited availability of raw materials in the domestic market.

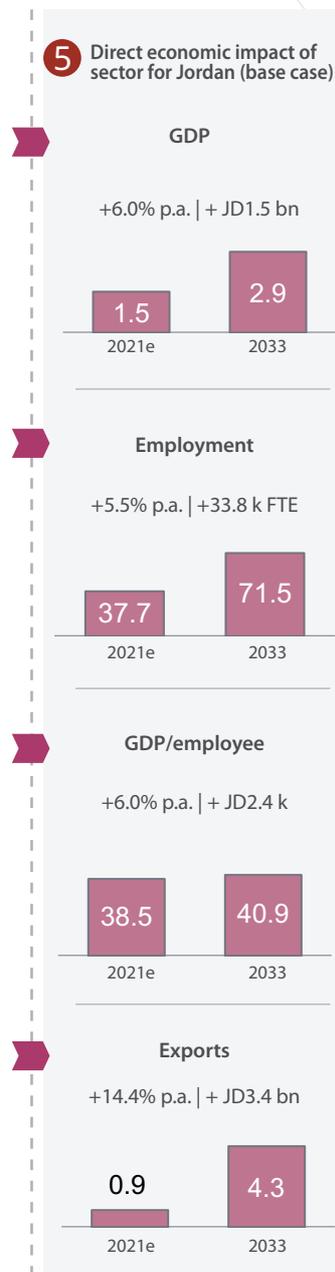
## 3 Strategic Potential and Priorities for Jordan

- Develop the food sector by significantly reducing cost of production and enhancing value added activities.
- Expand in domestic markets by replacing imports with local products.
- Promote improved work environment to attract more Jordanians to work in food processing industry.
- Foster institutional development of food factories including domestic supply chains (food processing cluster), and target to grow total exports by 350%.

## 4 Proposed Initiatives

- Implement Food Security Strategy with regards to food processing industry.
- Allocate part of local produce to food processing industry (vertical integration).
- Attract new investments in the sector.
- Support enterprises with environmental compliance.
- Expedite elimination of food processing shadow market.
- Launch domestic product marketing and promotion campaigns.
- Enhance sector's productivity and increase cost competitiveness.
- Establish food exhibition areas.
- Develop specialized skills for the food processing industry.
- Simplify development of food factories, and streamline governmental processes.
- launch a plan to strengthen and grow the sector.
- Establish a unified control body for the sector.
- Develop detailed plan for the sector.

## 5 Direct economic impact of sector for Jordan (base case)



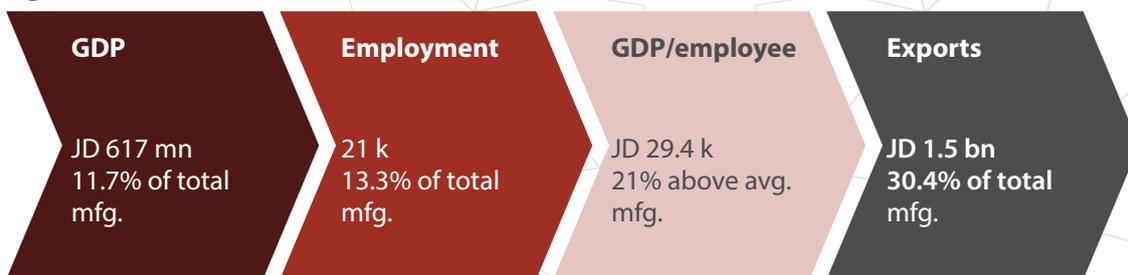
### **3B) Manufacturing: Chemical Products**

Chemical products account for 11.7% of Jordan's manufacturing GDP and 30.4% of manufacturing exports, which makes it the primary manufacturing sub-sector.

Jordan has built a strong position in fertilizers and products/derivatives related to phosphate, potash, and bromine, feeding off its strong mining base. On the other hand, Jordan has a small position in various industrial and consumer chemicals such as paints, detergents, hygiene, and personal care products among others.

# Executive Summary Chemical Production

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Chemical production accounts for 11.7% of Jordan's manufacturing GDP and 30.4% of manufacturing exports, which makes it a main manufacturing sub-sector.
- Jordan has built a strong position in fertilizers and products/derivatives related to phosphate, potash, and bromine feeding off its strong mining base.
- Additionally, Jordan has a small position in various industrial and consumer chemicals such as paints, cleaners, and personal care products.

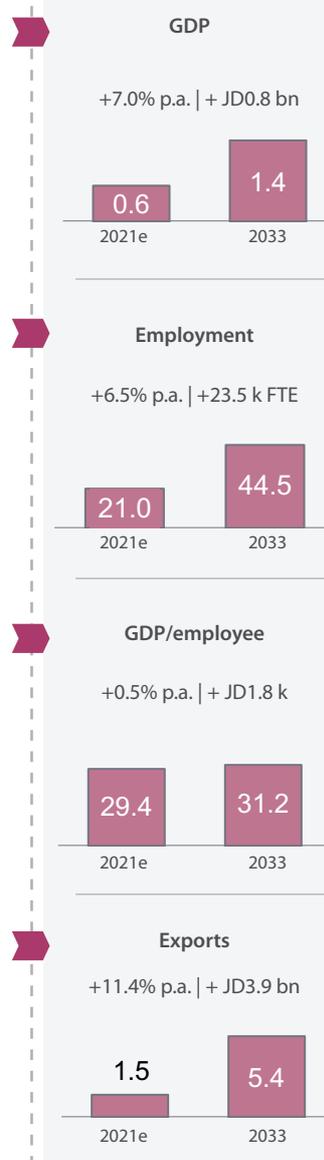
## 3 Strategic Potential and Priorities for Jordan

- Become a globally-relevant hub for chemical product solutions.
- Offer solutions centered around downstream applications and derivatives of phosphate and potash in the plant nutrition and industrial domains through strong brand names to capture more value by differentiation with price premiums and reduce exposure to global commodity market swings.
- Diversify from plant nutrition to industrial chemical solutions to play a vital role in supporting Jordan's Food Security Strategy, and provide jobs across a wide range of skill-levels form regional alliances.

## 4 Proposed Initiatives

- Set up chemicals production manufacturing cluster.
- Establish an R&D and innovation center focused on the potash and phosphate value chain and commercialization opportunities.
- Define a detailed downstream manufacturing strategy for potash and phosphate feedstocks.
- Launch international marketing campaign for Jordanian chemical products.
- Attract international strategic investors.
- Launch specialized education programmes in support of chemical sector skills needs.
- Launch regional cooperation and integration strategy for chemicals products.
- Develop growth strategy and investment roadmap.
- Establish a dedicated body to represent the chemical production industry.

## 5 Direct economic impact of sector for Jordan (base case)



### **3C) Manufacturing: Pharmaceuticals**

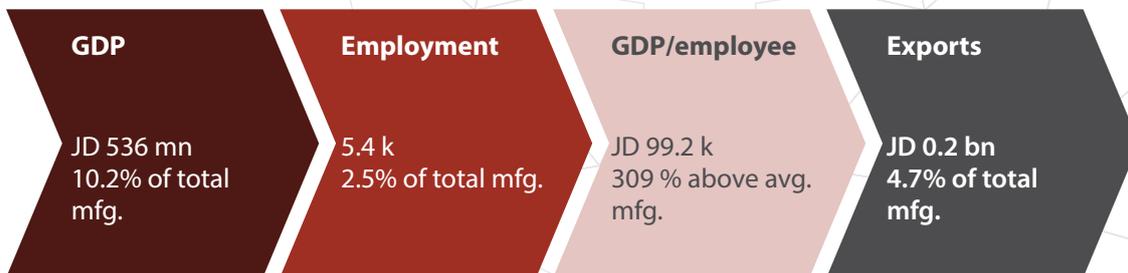
Pharmaceuticals is a mid-size but high-value manufacturing sub-sector in Jordan. The sub-sector accounts for 10.2% of the manufacturing GDP and 9% of manufacturing exports.

The sector has substantial production capacity with over 70 production lines, with a proven business model that focuses on branded generics, wide variety of products, and high international standards.

Sector challenges include a small domestic market, rigid domestic pricing, slow registration processes, and high production costs and taxes.

# Executive Summary Pharmaceuticals

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Pharmaceuticals is a mid-sized but high-value manufacturing sub-sector in Jordan.
- The sub-sector accounts for 10.2% of the manufacturing GDP and 4.7% of manufacturing exports.
- Substantial production capacity with over 70 production lines.
- Proven business model with focus on branded generics, wide variety of products, and high international standards.
- Challenged by a small domestic market, rigid domestic pricing, complex approval/registration processes, high production costs and taxes.

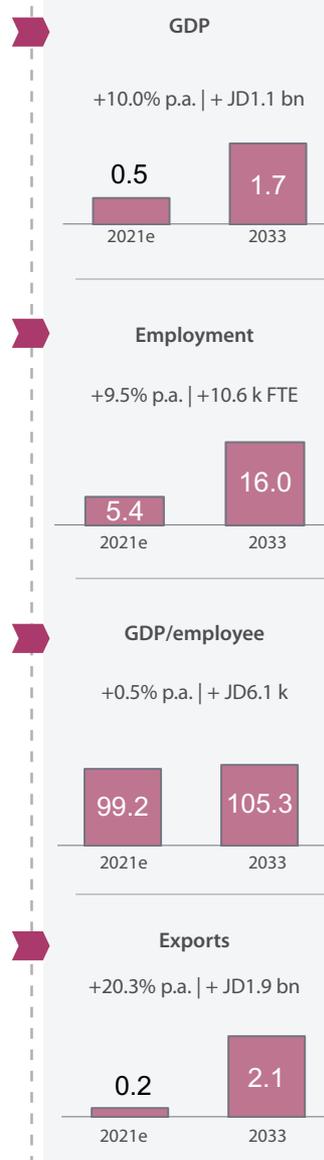
## 3 Strategic Potential and Priorities for Jordan

- Become a regional hub for pharmaceutical production by embarking into new technologies and therapy areas, new drug development and enhanced R&D, speeding up processes and linkages between key players.
- Expand into new geographical markets enabled by streamlined governmental legislations, regulations, and processes.
- Play a vital role in supporting Jordan's drug security ambitions and that of neighboring countries.
- Leverage pharmaceuticals as a platform to catalyze further knowledge and innovation-intensive sectors such as engineered production or ICT.

## 4 Proposed Initiatives

- Simplify governmental processes for the registration of new drugs to expedite the registration in new markets.
- Make IP databases searchable, accessible, and easily available.
- Develop R&D to support the launch of new products.
- Develop regulations for biological drugs/biotechnological drugs and biosimilars.
- Launch a domestic product promotion policy.
- Attract new investments in the sector.
- Enhance the sector's productivity and improve cost competitiveness.
- Rollout of upskilling programmes for the pharmaceuticals sector.
- Relax pricing rules and enable price stability.
- Establish pharmaceutical sector-specific unified strategic body.
- Develop a detailed plan for the sector.

## 5 Direct economic impact of sector for Jordan (base case)



### **3D) Manufacturing: Textiles**

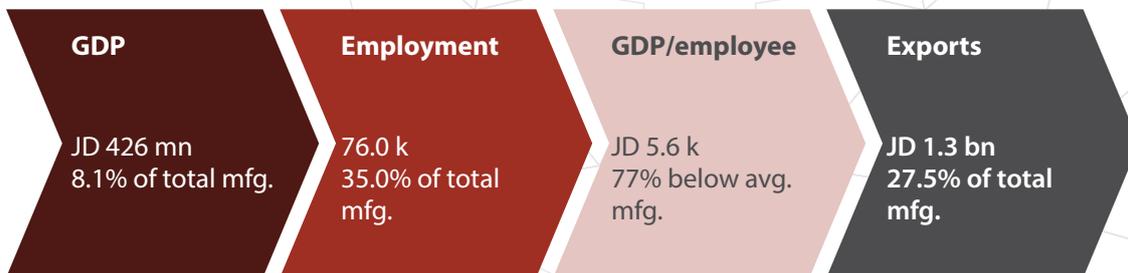
Textile manufacturing is a major sub-sector in Jordan accounting for 8.1% of manufacturing GDP and 27.5% of manufacturing exports, making it a major manufacturing subsector for Jordan.

Jordan has built strong positions with regard to textiles, especially with buyers of apparel from the U.S market, based on advantageous FTA-based market access and 'Made in Jordan' brand for ethical sourcing.

Key challenges include: ~70% of the workforce are non-Jordanian, activities are basic with rising costs, and high dependence on imported raw materials.

# Executive Summary **Textiles**

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Textile production is a major sub-sector in Jordan accounting for 8.1% of manufacturing GDP and 27.5% of manufacturing exports.
- Jordan has built strong positions especially with buyers of apparel from the U.S market based on advantageous FTA-based market access and 'Made in Jordan' brand for ethical sourcing.
- Key challenges include ~68% of workforce are non-Jordanian, activities are basic with rising costs, and high dependence on imported raw materials.

## 3 Strategic Potential and Priorities for Jordan

- Increase value of exports by 3-4x.
- Create over ~149k jobs for Jordanians.
- Strengthen the position of the textiles sector locally and regionally through finding sizeable niches in the value chain, increasing overall volume of production, establishing new factories, and expanding existing textiles factories within the fast fashion market.
- Produce raw materials to speed up supply chain and increase added value.
- Diversify imports of cost competitive raw materials from new sourcing countries, which will expand Jordan's presence in key export markets.

## 4 Proposed Initiatives

- Develop fabric manufacturing (vertical integration) to fulfill the needs of export markets in one season.
- Expand vocational training programme and benefit from sector skills council.
- Promote local talent employment in textiles sector and increase Jordanians managerial positions in the textiles sector.
- Attract new investments in the sector.
- Enhance the sector's productivity and improve cost competitiveness.
- Increase integration and collaboration between large and small enterprises to expand the size of small enterprises.
- Create sub-sector data center/database.
- Develop a unified governance framework for the sector.
- Streamline textiles sector-specific laws and regulations.
- Develop a detailed plan for the sector.

## 5 Direct economic impact of sector for Jordan (base case)



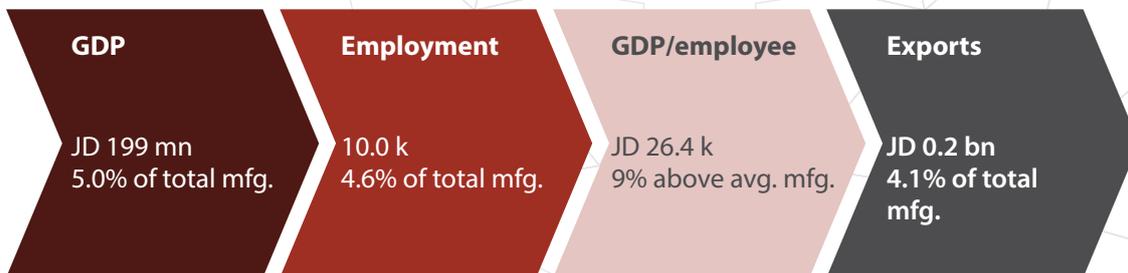
### **3E) Manufacturing: Engineering Industries**

Engineering products are a smaller emerging sub-sector in Jordan accounting for 5.0% of manufacturing GDP and 14.1% of manufacturing exports. Engineering products is still a developing sector despite the abundance of engineers from different backgrounds.

Jordan holds a promising position in many of the engineering industries; including heating, ventilation, air conditioning, electric products and construction materials with an expanded access to regional and international markets, capitalising on existing FTAs. Moreover, Jordan has an emerging base of companies functioning as suppliers to assembling firms.

## Executive Summary Engineering Industries

### 1 Sector Facts (2021)



### 2 Strategic State of Sector

- Engineered production is a small emerging sub-sector in Jordan accounting for 5.0% of manufacturing GDP and 4.1% of manufacturing exports.
- Jordan has built initial position in areas such heating, ventilation, air conditioning, electrical products, and construction materials.
- Emerging base of companies that function as local component suppliers to assemblers.

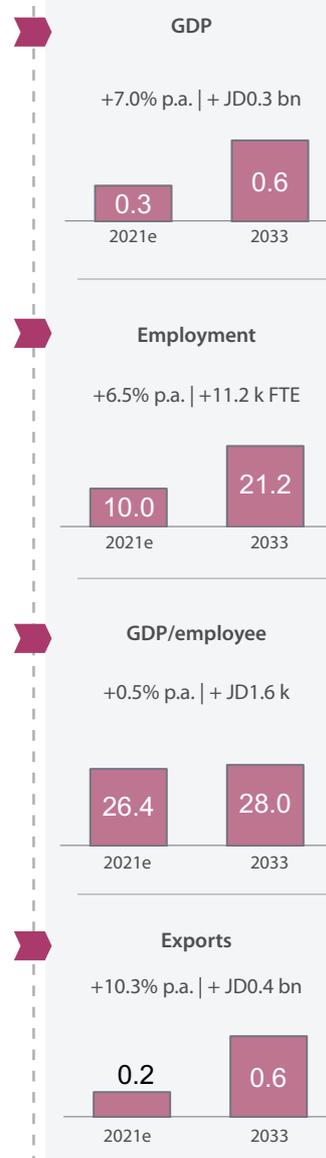
### 3 Strategic Potential and Priorities for Jordan

- Develop the sector to become an active specialized one in engineered solutions, which can be leveraged to build high skilled workforce.
- Capitalize on Jordan's unique advantages such as high-skilled Jordanian engineers.
- Evolve the branding of "Made-in-Jordan" solutions to enter international markets.
- Focus on product categories with high success potential for Jordan (e.g. building and construction systems).
- Adopt innovation ideas from abroad and scale up in Jordan.
- Build reference projects in export markets.

### 4 Proposed Initiatives

- Attract three international champion companies.
- Conduct detailed feasibility assessments on entering fast-growth future product categories.
- Set up an R&D and innovation center for high-potential engineered product solutions, their value chains, and commercialization opportunities.
- Accelerate roll-out of the fourth Industrial solutions.
- Strengthen cross-sectoral collaboration between engineered production, industrial design, ICT and supplier industries.
- Launch domestic and international marketing campaigns.
- Develop specialized education programme (engineering academies).
- Develop national plans and roadmaps for investment in the sector.

### 5 Direct economic impact of sector for Jordan (base case)



#### **4. Transport, Mobility and Logistics:**

The transport and logistics<sup>1</sup> sector is a strong contributor to Jordanian employment and GDP, particularly for the youth and women. This sector plays a major role in enabling the high value industries driver to leverage Jordan's strategic location, more infrastructure and serve a pivotal transport & logistics role in the region and beyond. Enablers to this sector include the modern ports and an award winning airport, which constitutes a major pillar for growth in the sector.

While Jordan has a modern road network, yet there is a strong potential for enhancing transport networks, especially railway networks and linkages with other countries in the region. There are also opportunities to further develop storage facilities, ports, and air freight of goods and enhance customs procedures.

1. Logistics is included under the High-Value Industries driver, while Mobility is included under Future Services.

# Executive Summary Transport, Mobility and Logistics

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Strong contributor to Jordanian employment and GDP.
- Privileged geostrategic positioning can enable regional transport and mobility.
- Strategic plans exist but with limited implementation.
- Multi-award-winning Queen Alia Airport.
- Aqaba Port is a significant strategic asset.
- Poor road and rail infrastructure.
- Sector is highly fragmented.
- Lack of adequate government funding and insufficient incentives for private sector involvement.
- High reliance on private cars due to inadequate public transport causing congestion.
- Slow clearance process due to high rate of physical inspections.

## 3 Strategic Potential and Priorities for Jordan

- Enhance Jordanian transport infrastructure and streamline legislation to enable efficient movement of people and goods.
- Leverage Jordan's geographic position to provide viable continental transshipment routes to serve the region.
- Substantially expand Jordan's capabilities and modernise processes to sustainably and efficiently move goods in and out of the country while empowering trade and other sectoral activities.

## 4 Proposed Initiatives

- Revamp institutional framework for transport.
- Revise transportation laws and regulations.
- Enhance environmental policies and regulations.
- Strengthen regional transport links.
- Develop sustainable funding and financial support mechanism.
- Develop specialized human capability / capacity.
- Upgrade transport infrastructure and services.
- Move towards use of clean energy in transportation.
- Make use of available technical solutions and smart apps within the sector.
- Develop data and management information system.
- Establish traffic safety policies.
- Launch public private partnerships for transport.
- Develop a master plan for public transport.
- Launch a new strategy that includes all proposed initiatives mentioned above.
- Activate national unified window across all border crossings.

## 5 Direct economic impact of sector for Jordan (base case)







## 1. ICT / Digital Economy

Jordan boasts three keystones rendering its ICT sector highly promising in growth opportunities: sturdy digital infrastructure, qualified and internationally competitive human resources and a motivating legislative framework that provides tax incentives.

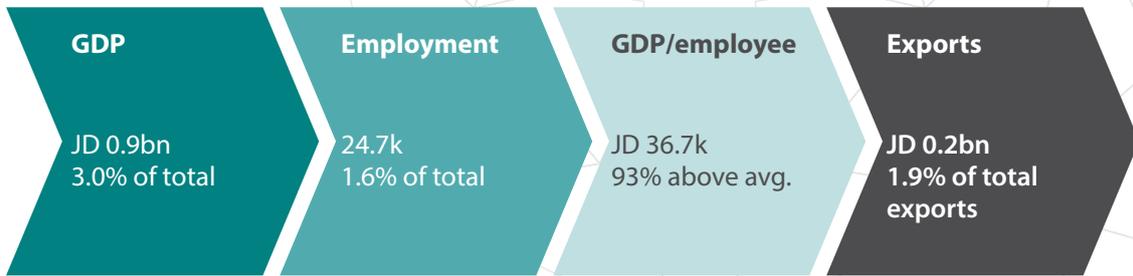
Jordan nurtures a culture of entrepreneurship. 27 of the MENA top 100 tech entrepreneurs are Jordanian (WEF), and many of the biggest companies in the region were founded and owned by Jordanians (such as souq.com, maktoob, Jawaker), later acquired by large global companies. In addition, the Innovative Startups & SMEs Fund in Jordan contributed to attracting 11 investment funds to invest in Jordanian entrepreneurial companies.

Several FTAs and bilateral agreements offer access to 160+ countries, and Jordan has incentives in place including favorable tax rates and subsidised salaries.

There is a need to review and update some of the current labor legislations to meet the needs of the future workforce, in addition to the challenge that arises from the mismatch between supply and demand of digital skills due to technology advancements outpacing university curricula revisions. To close this gap, efforts have been done and programmes have been developed with the necessary funding, including the “Youth, Technology, and Employment” project.

# Executive Summary ICT/Digital Economy

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Strong digital infrastructure, qualified and globally competitive workforce and numerous tax incentives.
- Jordan succeeded in establishing and developing the sector with high competitiveness and attracted world-renowned tech companies with significant growth in recent years.
- 27 of the MENA top 100 tech entrepreneurs are Jordanian (WEF), and many of the biggest companies founded in the region are owned by Jordanians, later acquired by large global companies.
- Several FTAs and bilateral agreements offer access to 160+ countries, and Jordan has incentives in place including favorable tax rates and subsidized salaries.
- Current labor laws need to be updated for 'workforce of the future' needs.
- Mismatch between supply and demand of digital skills due to technology advancements outpacing university curricula revisions.
- Overregulation can impede development in Digital Economy (advanced technologies) and technology-enabled sectors.

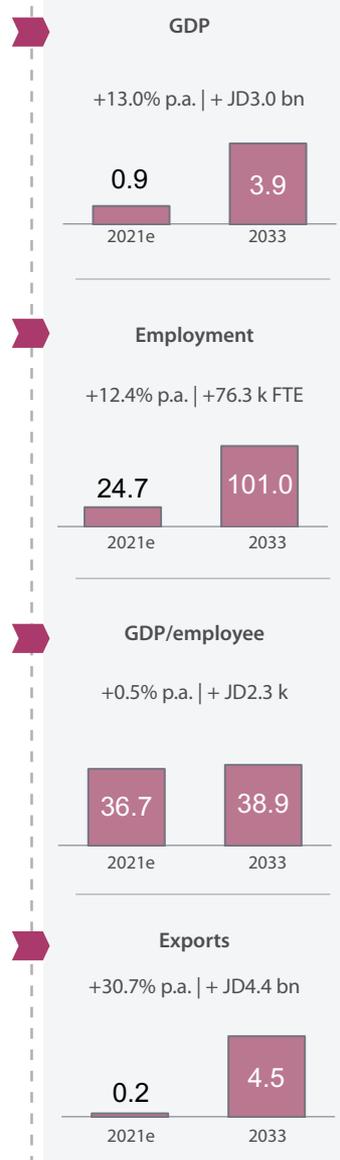
## 3 Strategic Potential and Priorities for Jordan

- Enhance Jordan as an attractive investment hub for digital innovation and a launchpad for ready-to-scale digital solutions.
- Outsourcing: Develop Jordan into a high-value services outsourcing hub, and leverage Jordan's skill sets, infrastructure, ecosystem and geostrategic location.
- Digital government transformation: Strengthen public-private collaboration to accelerate digital government transformation through a new procurement process that allows the private sector to compete in providing citizens with services through open application interfaces.
- Offer a wider space for startups by easing restrictions and introducing cost reduction incentives in the early years.

## 4 Proposed Initiatives

- Launch 5G.
- Establish a virtual free-zone for start-ups.
- Establish a regulatory sandbox for disruptive technologies.
- Accelerate the establishment of a legal framework for new technologies that is agile and responsive to facilitate and ease starting new tech companies / scale-ups / potential unicorns.
- Develop a future-ready (employable) workforce.
- Upgrade labor laws to match 'workforce of the future' needs.
- Empower a public data agency responsible for data availability, access, and decision-making support.
- Create a cabinet level department at PMDU Digitizing Unit to drive and oversee the end-to-end digitized services for citizens and investors.
- Accelerate the pace of government digital transformation by establishing partnerships with the private sector.
- Enhance and sustain incentive packages for large-scale investment and talent development.
- Roll-out national and international branding and positioning campaign.
- Attract risk capital funding for pre-seed/idea stage and late growth stage investment.
- Establish R&D / IP creation fund.
- Cascade national vision KPIs across GoJ.

## 5 Direct economic impact of sector for Jordan (base case)



## **2. Creative Industries**

Jordan is recognised as a strong regional brand known for entrepreneurship and creativity with untapped potential and strong base of talented and capable resources, but suffering from talent drain and certain skill shortage in critical areas.

The creative industries sector is fragmented and lacks strong awareness, recognition, and integration by the public and private sector, further coupled with serving a small local market and limited international market access.

# Executive Summary Creative Industries

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- A strong regional brand known for entrepreneurship and creativity with untapped potential.
- Strong talent base of capable resources, but suffering from talent drain and skill shortage in critical areas.
- Fragmented sector that lacks strong awareness, recognition, and integration by the public and private sector.
- Small local market and limited international market access.
- A few and scattered instances of excellence in e-gaming and film making.
- Appeal of location as a back stage for international film producers.

## 3 Strategic Potential and Priorities for Jordan

- Place creativity at the heart of Jordan's economy, education and culture.
- Jordan as a hub for game development and e-sports.
- Jordan as a film destination and for skilled creative talent.
- Jordan as a hub for design thinking and creation.
- Jordan as a vibrant creative arts home and destination.
- Jordan as a hub for Arabic content.
- The Creative and Cultural Industry as an enabler to improving government operations, private sector growth and the quality of life for all Jordanians.
- The Creative and Cultural Industries as a fundamental infrastructure for other sectors in economy.

## 4 Proposed Initiatives

- Establish or enable representative bodies.
- Simplify government processes and integrate design in government.
- Research, harvest, and categorize data.
- Simplify payment, grants and funding.
- Raise sector awareness locally.
- Grow and retain required talent.
- Establish the physical and services infrastructure and ecosystem.
- Raise the sector's profile globally.
- Protect and promote sector workers.

## 5 Direct economic impact of sector for Jordan (base case)



### **3. Financial Services and Markets**

The financial services sector is backed by a strong and effective regulator as well as a competent workforce. Overall, the sector has resilient, sound, and well-capitalised banking segment with a stable funding base and high potential for fast digitisation of financial services with a rapidly emerging FinTech segment.

Jordan has also improved financial inclusion from 33.1% in 2017 to 50.0% in 2020, with potential for more holistic inclusion for citizens and businesses/SMEs (saving, payment, borrowing, investing, and insurance).

However, there is a high dependence on bank financing caused by limited financing alternatives, such as concessional financing, project and mega project financing and others, which hinders the growth potential of these segments.

Jordan should continue developing the financial services sector as an enabling backbone for national economic growth and improving citizen's access to finance. Additionally, the sector features a relatively high cost of capital, a fragmented insurance sector, with the potential to improve the capital base.

# Executive Summary Financial Services and Markets

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- The sector is backed by a strong and effective regulator and a competent workforce.
- Resilient, sound and well-capitalized banking segment with a stable funding base
- High potential for fast digitization of financial services with a rapidly emerging FinTech segment.
- High dependence on bank financing caused by limited financing alternative options, hindering the growth potential of other segments.
- Modest capital market segments with need for rejuvenations to further catalyze investment and economic growth.
- Fragmented insurance sector with potential to improve capital base.

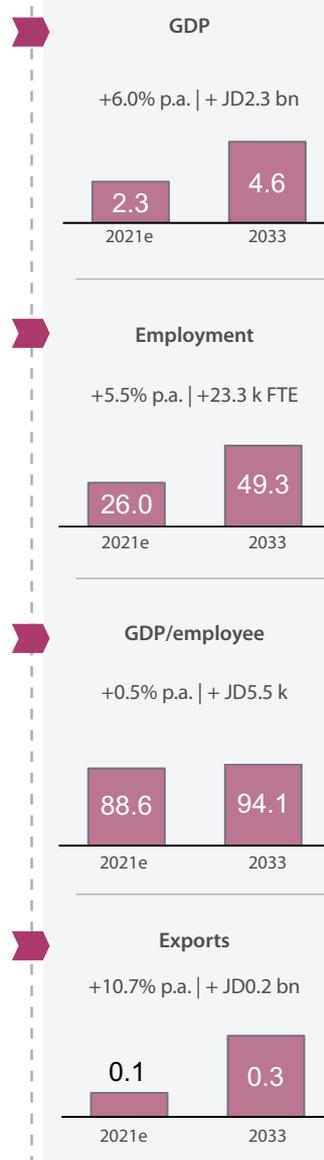
## 3 Strategic Potential and Priorities for Jordan

- Continue developing the sector as an enabling backbone for national economic growth and improving citizens' access to finance.
- Banking: Further grow Jordan's resilient banking sector to enable development.
- Insurance: Become a robust and sustainable sector protecting citizens and the economy.
- Leasing: Grow into an inclusive financial provider for MSME growth.
- Microfinance: Develop into a modern, dynamic segment catalyzing socioeconomic growth.
- Capital Markets: Develop the capital market to support investment and finance.
- FinTech: Develop Jordan into a leading regional Fintech hub and investment destination.

## 4 Proposed Initiatives

- Update Financial Inclusion Strategy.
- Launch campaigns to increase financial literacy.
- Roll-out MSME lending initiatives.
- Develop a pre-approved list for microfinance funding loans/grants.
- Develop leasing regulatory framework.
- Develop agile and responsive Fintech regulations.
- Develop a deep and liquid capital market (bonds and equities).
- Expedite the sector's digital transformation.
- Establish local re-insurance company.
- Restructure insurance sector.
- Develop Financial Sector Development Roadmap.
- Develop detailed sub-sector strategies.

## 5 Direct economic impact of sector for Jordan (base case)



## 4. Healthcare

Jordan has a reputable healthcare sector with strong record of accomplishment in health tourism across the region due to its skilled human capital and modern hospitals.

The healthcare sector has a robust infrastructure (3.2% of GDP), particularly in primary, secondary, and tertiary care facilities across public & private sectors.

While the institutional framework to separate the roles of the regulator and service provider is in place, the sector faces issues related to governance and accountability, in addition to an unsustainable financing system that lacks clear service packages and multiple funding sources.

Additional challenges include disparity in quality of care between the public and private sectors, human resources skills and competence not in tandem with sector growth needs, digital transformation still limited to electronic medical records and focus is generally on treatment rather than prevention and wellbeing.

# Executive Summary Healthcare

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Regionally reputable sector with strong achievements in medical tourism due to sector's potential and quality of medical expertise.
- Robust sector infrastructure (3.2% of GDP), particularly in primary, secondary, and tertiary care facilities across public and private sectors.
- While institutional framework is in place, sector faces issues in activating governance and accountability.
- Unsustainable financing system without clear service packages or multiple funding sources.
- Discrepancy between public and private sector in terms of quality of offered services.
- Human resources skills and competence not in tandem with sector growth and needs.
- Digital transformation is still limited to electronic medical records.
- Focus is generally on treatment rather than prevention and wellbeing.

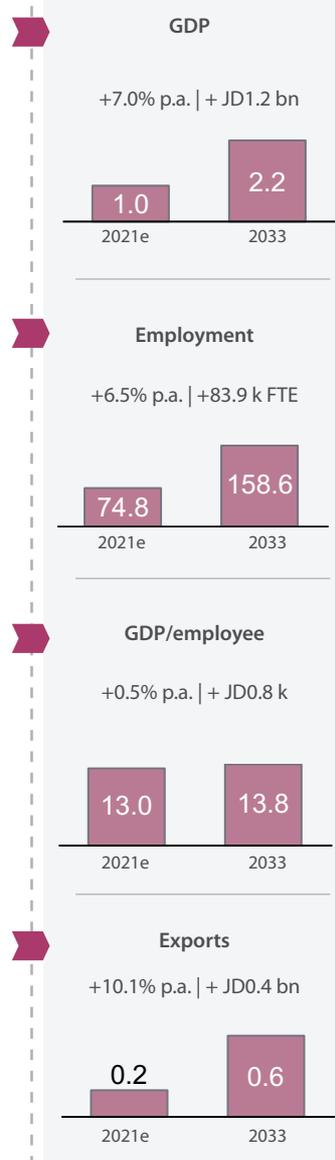
## 3 Strategic Potential and Priorities for Jordan

- Improve the health of the population through a strategic integrated, efficient, patient-centric, innovative and best-in-class system embedding a Health in All Policy approach.
- Focus on a public health and prevention approach to improve the overall health conditions of the population, adopt healthy lifestyle concepts in urban design and communities, impact quality of life and sector expenses.
- Control of expenditures incurred by the sector
- Ensure a strong and well-knit continuum of care by strengthening the role of primary health care as a main entry point for equitable access to health services within an integrated digitally-enabled system.
- Promote medical tourism and become a top destination for affordable, high-quality medical services and wellbeing experiences.
- Reform and uplift the accountability and governance framework of the sector to ensure efficient and effective collaboration, improved quality, patient safety and healthcare outcomes matching international standards.
- Establish a financially sound and sustainable healthcare sector ensuring collaboration with the private sector and streamlining funds.
- Streamline funds to expand equitable healthcare coverage.
- Accelerate the sector's digital transformation and innovation to best-in-class standards to drive preventive and quality healthcare.
- Develop best-in-class fit-for-purpose skilled and competent healthcare workforce starting from upgrading the education system and following onto continuous professional development, performance management and leadership.
- Accelerate expansion of universal healthcare coverage, and ensure sustainability of hospitals and healthcare facilities.
- Improve cost, quality of services, and waiting times through outsourcing hospital functions such as radiology.

## 4 Proposed Initiatives

- Define and adopt national healthcare quality measurement, data monitoring and benchmarks.
- Launch a framework for sector's governance reform and financing schemes.
- Deploy and achieve Universal Health Coverage and health security specifically streamlining coverage funds.
- Improve primary care family health model.
- Develop best-in-class fit-for-purpose competent health workforce and set actionable and implementable goals.
- Design and deploy health/medical tourism development program.
- Launch healthcare system financing programme addressing efficiency and effectiveness scenarios.
- Launch digital transformation of the healthcare system, beyond electronic medical records, including setting up a national Health Information System and improving access through technology.
- Launch integrated health manufacturing scheme and support local manufacturing.
- Develop sub-segment plans, cascaded from national sector strategy and developed alongside concerned line ministries, to focus on the development of key sector components.

## 5 Direct economic impact of sector for Jordan (base case)



## **5. Retail, Trade and Commerce**

This sector is a national priority industry given its significant contribution to GDP and employment.

SMEs contribute significantly to this sector, which has untapped potential to Modernise traditional retail. The sector currently lags behind compared to global standards vis-à-vis digital readiness and strong software skills, which are catalysts for e-commerce development.

Further, the sector lacks e-commerce legislations, is highly import dependent, and has an ineffective framework for customs, shipping, and tax for trade/re-exports. The sector also suffers from limited access to finance and unfair competition.

# Executive Summary Retail, Trade and Commerce

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Retail, trade and commerce is a national priority industry given its contribution to GDP and employment.
- Industry structure and SME profile provide job creation opportunities.
- Untapped potential to modernise traditional retail; currently lagging global standards.
- High levels of digital readiness with strong software skills as catalysts for e-commerce development.
- Lack of e-commerce legislation.
- Aqaba port is a strategic asset to leverage for regional trade (not fully utilized).
- High dependence on imports of goods.
- Inefficient legislative framework from customs to tax for trade/re-exports.

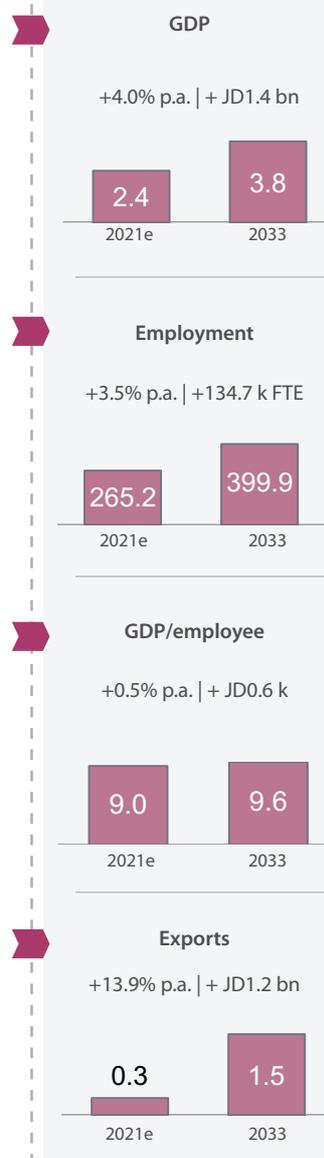
## 3 Strategic Potential and Priorities for Jordan

- Become a regional trade hub with presence in both, traditional and digital channels of trade and retail, enabling favorable conditions to attract international players and investors.
- Trade and re-export: Regaining and penetrating markets of key trade partners and neighboring countries to lower operating costs.
- Traditional wholesale and retail: Modernise activities through innovations and exceptional customer experience stimulating demand to the full capacity.
- E-commerce: Become one of the fastest growing e-commerce and online retail hubs serving the MENA market, especially fostering SME involvement through tech adoption and incentives.
- Level the field towards fair competition (e.g. e-commerce, advertising, and other areas)

## 4 Proposed Initiatives

- Develop consumer protection rights.
- Streamline customs, taxation and shipping regulations for trade and retail.
- Upgrade port and warehousing infrastructure.
- Develop access to finance for the sector.
- Expand trade partnerships and FTAs.
- Establish database for tradable goods and services.
- Automate government procedures and processes.
- Define SME incentives and rebate programmes.
- Modernise distribution centers and last-mile logistics.
- Upgrade digital infrastructure for e-commerce.
- Launch customer service training centers.
- Enhance e-commerce enabling environment.

## 5 Direct economic impact of sector for Jordan (base case)







## **Tourism**

Tourism is one of Jordan's key economic sectors. Jordan is well endowed with unique historical, religious, natural and heritage sites such as Petra, Dead Sea, Wadi Rum, the Baptism site, Machaerus, other religious and Roman sites, in addition to several diving locations, rich adventure tourism, and favorable climate for all-year tourism.

Jordan has built momentum and is well positioned in the fast-growing medical tourism market, in addition to being a primary destination for specialty tourists seeking distinct experiences in heritage, nature, and wellness.

While there is a robust tourism infrastructure, which enables safe and easy navigation, Jordan has a modest flow of investments, disadvantaging the country compared to the region, noting that the tourism sector has been largely affected by the COVID-19 implications and requires considerable support to regain its momentum.

# Executive Summary Tourism

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- One of Jordan's top economic sectors.
- Well endowed with unique sites such as Petra, Dead Sea, Wadi Rum, religious and Roman sites, diving locations, etc.
- Favorable climate for year-round tourism.
- Promising medical tourism potential in the fast growing medical tourism market.
- Well positioned for specialty tourists seeking distinct experiences in heritage, nature, and wellness.
- Robust tourism infrastructure, safe and easy to navigate around.
- Relatively modest investments flow and rising competition from other countries.
- Underdeveloped sites and services indicate good potential for growth once developed.

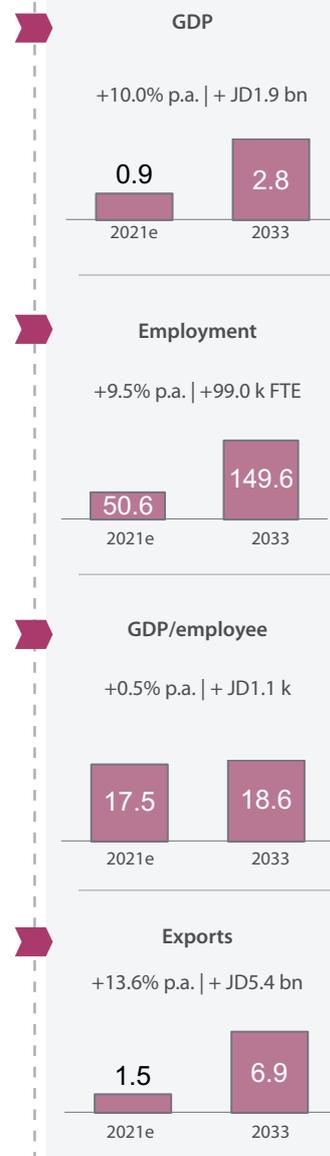
## 3 Strategic Potential and Priorities for Jordan

- Grow Jordan into a top destination for quality-focused holiday-makers seeking world-class heritage and nature, adventure, faith and medical and wellness experiences.
- Continue the development of tourism product offerings and enhance their competitiveness.
- Develop touristic sites infrastructure.
- Improve touristic transport services.
- Develop educational and training curricula for the tourism sector, and pave the way for the private sector to manage training centers of the Vocational Training Corporation.
- Medical tourism: Pushing Jordan to become one of the favored destinations for medical tourism experiences, medical services and quality health care at affordable prices.
- Religious tourism: Developing capabilities to make Jordan one of the preferred destinations for religious tourism.
- Specialized tourism: Jordan to become a major destination for specialized tourism, such as conference tourism, events, and exhibitions.

## 4 Proposed Initiatives

- Develop, manage and maintain touristic sites and facilities.
- Develop tourism-related products of all kinds.
- Activate the tourism investment initiative.
- Facilitate travel to and movement within Jordan.
- Launch efficiency improvement initiatives to reduce cost and improve competitiveness.
- Establish a programme to hone skills in the tourism sector.
- Launch the digital touristic initiative.
- Update the sector's data to enable decision-making.
- Continue tourism marketing, linking Jordan with a broader network of tourists, and developing the commercial identity.
- Setting world-class standards and rules for the tourism sector.
- Improving laws related to the tourism sector.
- Simplify government procedures.
- Launch the "Secure, Safe and Clean Environment - Jordan Initiative".

## 5 Direct economic impact of sector for Jordan (base case)







## 1. Education

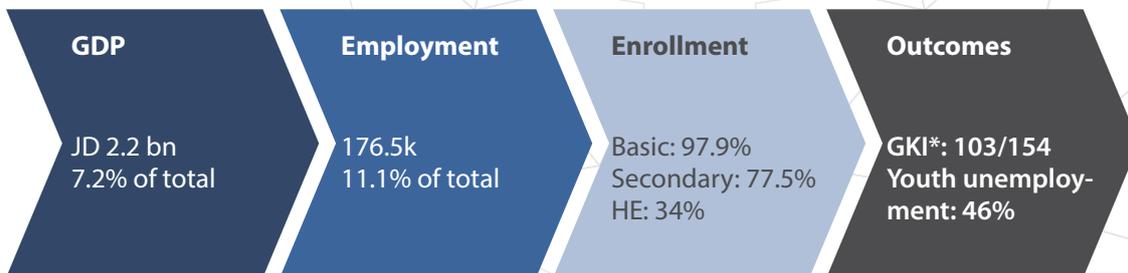
Education is a critical player in supplying skilled labor and capable citizens to other growth sectors. Jordan has a good reputation at the regional level in this field, along with significant progress with regard to access to basic education and achieving parity between genders.

However, the sector has lost some of its momentum as graduates are facing difficulties in joining the labor market due to deficiency of required skills, in addition to the significant difference in the level of education provided by various institutions in the past years.

Sector challenges include traditional pedagogy, weak institutional capacity, and falling learning achievements. Despite said challenges, there are evident and continuous efforts seeking to develop and upgrade curricula, improve examination policies and testing methodologies and create appropriate educational programmes.

# Executive Summary Education

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- A good regional reputation with significant advancement in the accessibility of basic education and gender equality.
- Facing the challenges of outdated curriculum/programmes, traditional pedagogical methods, weak institutional capacity, poor governance, and low learning outcomes.
- Higher Education "HE" and Technical and Vocational Education and Training "TVET" lack practical, industry oriented education.

## 3 Strategic Potential and Priorities for Jordan

- Develop knowledgeable, skillful citizens capable of achieving their dreams and aspirations.
- Early Childhood Care and Education: An integrated, equitable, just, and child-centered system.
- Basic and Secondary Education: Develop critical thinking, problem-solving, and lifelong learners who believe in human values and cherish national identity.
- Higher Education: An inclusive, equitable, and high-quality research-driven and technology-enabled system
- TVET: Develop a well-trained, highly-skilled, and diverse workforce.

## 4 Proposed Initiatives

- Modernise the National Human Resource Development "HRD" Strategy.
- Launch a national education finance program.
- Develop curricula and teaching methods.
- Develop and implement educator training programmes.
- Establish research centers of excellence.
- Launch a programme for the development of infrastructure in the education sector.
- Enhance partnerships with the private sector.
- Roll-out a comprehensive education database.
- Launch a unified digital learning platform.
- Integrate and unify governing bodies of the education system.
- Establish a single entity specialized in Human Resource Development "HRD".
- Launch a specialized body for private and public education system accreditation.
- Activate the sub-sectors' action plans.

## 5 Direct economic impact of sector for Jordan (base case)



\* Global Knowledge Index

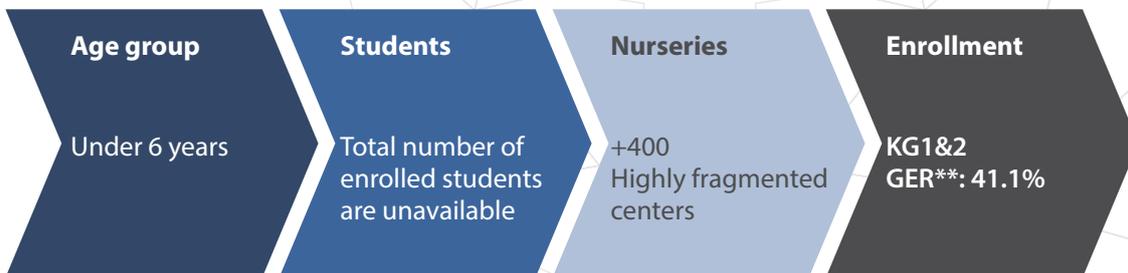
## **1A) Education: ECCD**

Jordan has a relatively large early childhood population that is also expected to grow in the near future.

ECCD represents a crucial stage of the developmental journey (~85% of brain development). However, the services offered by this sector are not widely available, highly fragmented, insufficient, and vary in quality and sometimes are not commensurate with the household income. Additionally, it is essential to enhance the sector's data/information, employ and train the workforce, enhance governance and licensing, raise awareness, unify references, improve communication, and develop SEN programmes.

# Executive Summary Education | ECCD\*

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Large early childhood population that is also expected to grow in the near future.
- Essential phase of developmental journey (85% of brain development).
- Current services are highly fragmented in governance, insufficient and varied in quality.
- A need for data improvement, workforce recruitment and training, unified referencing, governance, licensing, specialized programmes for Special Educational Needs "SEN", communication, and awareness.

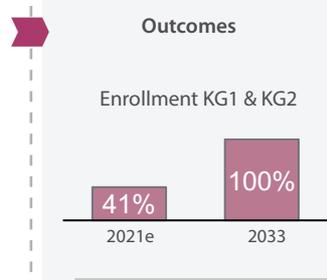
## 3 Strategic Potential and Priorities for Jordan

- Vision: By 2033, all children in Jordan to have an integrated, equitable, just and child-centered system for the development of healthcare and early childhood education within the framework of effective governance to enable them to unleash their potential, be able to adapt, and to be positive, happy and productive citizens.
- Priorities: Holistic, integrated ECCD programmes directed towards better parenting skills, more awareness and providing equal and equitable access to care, an inclusive and protective environment and infrastructure. Further, the provision of a skilled workforce for special needs and their early identification.

## 4 Proposed Initiatives

- Develop appropriate curricula and programmes for early childhood learning.
- Establish a unified ECCD council.
- Reduce the burden of licensing and operation of ECCD service providers.
- Launch a streamlined database for ECCD.
- Make the ECCD sector accessible to all children in Jordan.
- Launch healthcare provision to all children below the age of six years and pre-KG enrollment.
- Expand the establishment of cost effective ECCD programmes.
- Launch an initiative to establish nurseries and kindergartens in the workplace.
- Incentivize non-government service providers to encourage investment and services in ECCD.
- Mobilise families to better support learning and early childhood development at home.

## 5 Direct economic impact of sector for Jordan (base case)



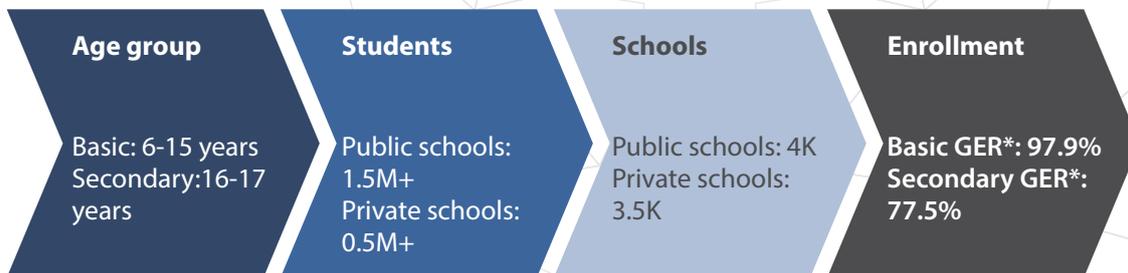
\* Early Childhood Care and Development.  
 \*\* General Enrollment Rate.

## **1B) Education: Basic and Secondary Education**

Jordan made significant strides in access and equity at the basic and secondary education level. However, the basic and secondary education system faces challenges including enrolment & dropout rates, inclusive education, traditional curricula & pedagogy, inadequate governance, teacher recruitment & training, technology, and student evaluation.

# Executive Summary Education | Basic and Secondary

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Significant growth was achieved in the accessibility and equity of basic and secondary education.
- The system faces challenges of enrollment and dropout rates, inclusive education, traditional curricula and methodology, adequate governance, teacher recruitment and training, technology, assessment and job market needs alignment.

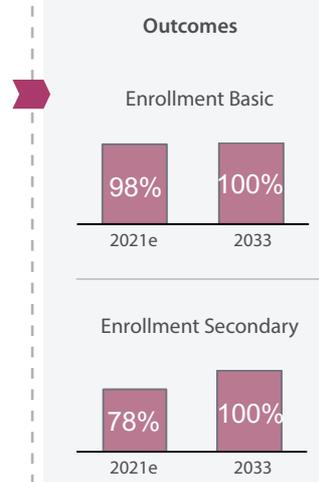
## 3 Strategic Potential and Priorities for Jordan

- Vision: By 2033, graduate knowledgeable and skillful citizens capable of critical thinking, problem-solving, and lifelong learning, who believe in human values and national pride and are able to achieve their dreams and aspirations through utilizing an educational system that is technology-enabled, competitive, resilient and student-centered, in a safe learning environment, which is dependent on contemporary curricula, qualified well-trained teachers, and efficient leadership.
- Priorities: Experiential learning, holistic development etc.

## 4 Proposed Initiatives

- Structure and mandate pre-service training and licensing programmes.
- Develop and adopt a competency-based selection, recruitment, and accountable system using contract-based employment for all education staff.
- Establish continuous professional development programme for all educators.
- Select, prepare and empower school leaders.
- Revamp curricula and assessment approach.
- Revamp TVET in school systems.
- Reform the Tawjihi assessment and examination system.
- Decentralize administrative and financial management.
- Transparent school quality assessment (QA) and accreditation system.
- Enable evidence-based decision making.
- Convert public schools to a mixed gender system.
- Launch building new educational schools.

## 5 Direct economic impact of sector for Jordan (base case)



\* General Enrollment Rate.

### **1C) Education: Higher Education**

Approximately 68,000 graduates complete their college education, while the economy creates a lower amount of jobs to that is insufficient absorb these graduates (across skill levels), which leads to a state of increasing unemployment.

The higher education system suffers from outdated programmes, lack of focus on competencies, rote learning methods, weak use of technology, insufficient budget & financing, poor quality management, inequity & quality in admission, deteriorated facilities, insufficient R&D, and a mismatch between university skills and labor market demands.

# Executive Summary Higher Education

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Jordan graduates 68k students per year, while the economy produces only around 30k jobs annually.
- Issues of outdated programmes, lack of focus on competencies, rote learning methods, lack of used technology, insufficient budget and financing, quality assurance and equity in admission, poor facilities and lack of R&D.

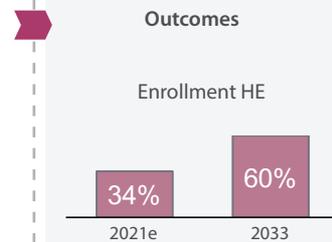
## 3 Strategic Potential and Priorities for Jordan

- Vision: An accessible and equitable, research-driven and technology enabled higher education system that is reputable, competitive, flexible, agile, inclusive, and capable of providing the Jordanian and international community with competent graduates.
- Priorities: Quality programmes, high quality infrastructure, diverse course offerings, industry linkages, employment etc.

## 4 Proposed Initiatives

- Reform faculty and staff recruitment, scholarships, continuing professional development, promotion, and entrepreneurship laws and regulations.
- Launch industry strategic collaboration and labor market assessment for higher education.
- Launch micro-credentialling and multiple educational pathways.
- Strengthen higher education R&D and launch solid tech commercialization programme and link them to the needs of different sectors, such as industry.
- Establish academic, financial, and institutional autonomy of higher education institutions.
- Launch higher education admissions and tuition fees reform while creating new resources and revenues to ensure financial sustainability.
- Empower and strengthen the Accreditation and Quality Assurance System of higher education.
- Reform Higher Education governance and accountability by strengthening legal and institutional structures

## 5 Direct economic impact of sector for Jordan (base case)



\* General Enrollment Rate.

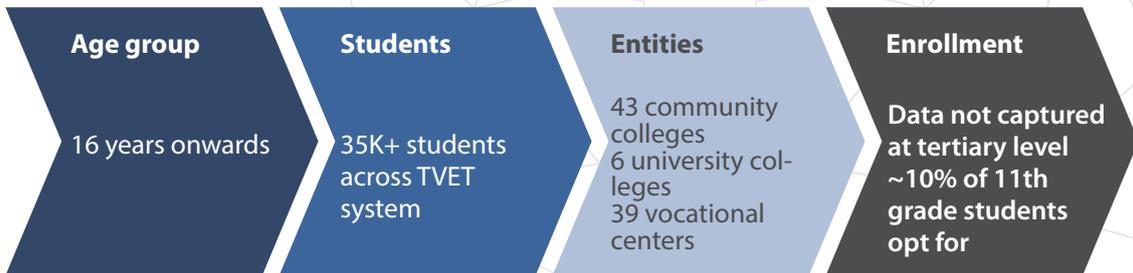
## **1D) Education: TVET**

Jordan has been making changes in the TVET governance and qualifications to boost the sector and address the high youth unemployment rate of 46%.

The key challenges for TVET include low enrolment rate, lack of a unified vision, weak linkages with industry, negative social perception, theoretical and outdated curricula, insufficient budget, weak governance/management, limited number of qualified trainers, and poor infrastructure.

# Executive Summary Education | TVET\*

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Currently, Jordan is amending TVET governance and qualifications to boost this sub-sector.
- Faces a high youth unemployment rate of 46%.
- Challenges of low enrollment rate, lack of a unified vision, industry linkages, low public perception, theoretical and outdated curricula, insufficient budget, weak governance and qualified trainers, poor infrastructure etc.

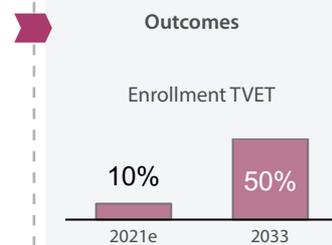
## 3 Strategic Potential and Priorities for Jordan

- Vision: A flexible, high-quality, competitive, agile, and innovative technology-driven system that is capable of providing Jordan and the international community with an inspiring, attractive, well-trained, highly-skilled, entrepreneurial, and diversified workforce, supported by good business practices and the proper policy environment.
- Priorities: Strong labor market partnerships, improved programmes, internship and apprenticeship opportunities, employment opportunities, public private partnerships, enhanced financing tools for institutions and students etc.

## 4 Proposed Initiatives

- Educators' training and professional development.
- Launch TVET\* post-9th grade.
- Launch micro-credentialing and multiple educational pathways.
- Launch technical programmes across Higher Education.
- Improve overall enrollment rate.
- Develop Labor Market Information System.
- Establish new specialties in TVET\* education.
- Develop a national framework for Recognition of Prior Learning "RPL".
- Develop Framework for Work-based Learning.
- Promote TVET\* Digitalization.
- Develop a national framework for career guidance.
- Activate The Technical and Vocational Skills Development Commission "TVDSC" role and Vocational Training Corporation "VTC" governance.
- Unify governing bodies for referencing.
- Implementation of National Qualifications Framework "NQF".
- Streamline data for TVET\*.

## 5 Direct economic impact of sector for Jordan (base case)



\* Technical and Vocational Education and Training





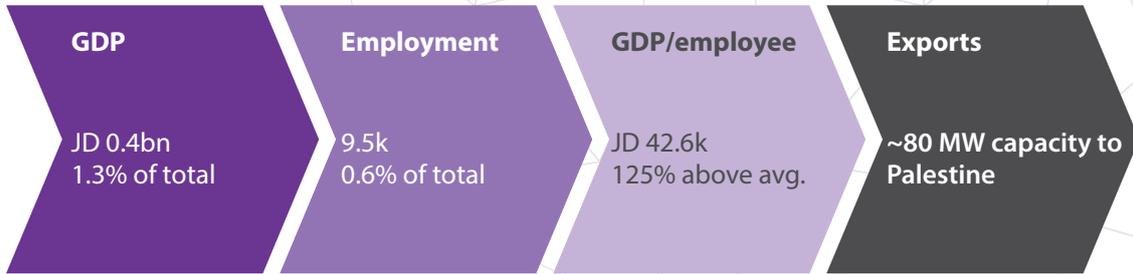
## 1. Energy

The energy sector in Jordan is currently largely dependent on imports of natural gas, with fast-growing renewable energy adoption contributing to 26% of local electricity generation.

The challenges in the energy sector include the lagging regulatory framework that hinders growth, a single-buyer model, distorted tariff structure hindering the competitiveness of the economy, high dependence of the treasury on fuel taxation hindering Jordan's competitiveness, mismatch between generation and demand of electricity, the foreseen entry of expensive capacity from shale generation, legacy debt that resulted from the disruption of Egyptian natural gas supply, and the slow progress vis-à-vis the expansion of Jordan Petroleum Refining Company.

# Executive Summary Energy

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Distorted tariff structure hindering the economy's competitiveness.
- High dependence on energy imports.
- Fast growing renewable energy adoption, comprising 26% of local electricity generation.
- Energy demand growth from population increase in the past decade despite Covid.
- Favorable geostrategic position offering energy interconnectivity opportunities.
- Centralized electricity market with one transmission system operator.
- Lagging regulatory framework that hinders growth/development.

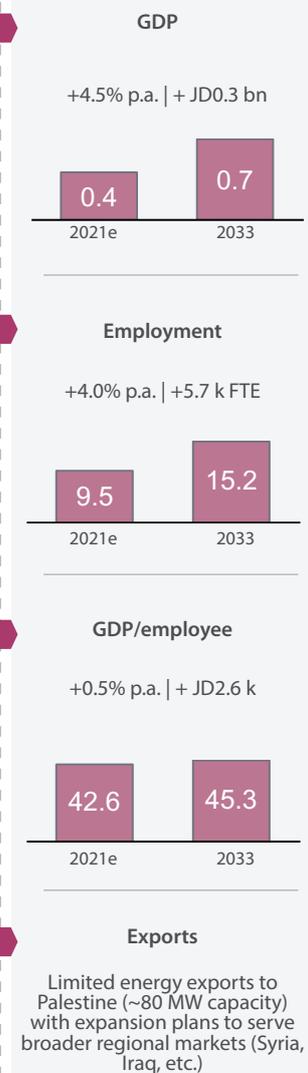
## 3 Strategic Potential and Priorities for Jordan

- Work towards achieving a reliable, sustainable, stable (electricity sector) and strongly connected energy sector to enable growth through diversification, localization, innovation and agility.
- Electricity: Move towards a more efficient (greener and lower cost) power sector through renewable sources, and enhance current cross-subsidy tariff structure.
- Hydrocarbon: Verify and explore untapped reserves and downstream industry opportunities while shifting toward clean energy (green hydrogen, biofuel).
- Incentivize efficient energy consumption across Jordan.
- Upgrade to smart power grids with high connectivity to efficiently serve Jordan's needs and ramp up exports to region.
- Enhance legal framework to enable sector growth.
- Establish a gas network to supply industrial clusters with their needs.

## 4 Proposed Initiatives

- Develop an energy transition roadmap (shift to renewable and alternative options, optimize power plants, and enhance interconnectivity with the region).
- Devise new energy regulations and policies that are fit for the future, and design incentives for cost reduction.
- Bolster Public Private Partnerships (PPPs), investment promotion and project development (funding / financing for energy projects).
- Launch exploration and develop feasibility studies for reserves (oil and gas, shale gas), which will also contribute to building a developed investment ecosystem (PPPs).
- Adopt technologies and solutions for reduced emissions, decarbonization and energy efficiency.
- Enhance inter-sector coordination (between the relevant sectors) and demand management/planning, and move from net-metering to net-billing.
- Evaluate and implement energy cost reduction measures (reduce losses, energy transition incentives, and refinance NEPCO legacy debt with concessional financing).
- Restructure the tariff to incentivize the promising productive sectors.
- Upgrade energy infrastructure (smart power grid and meters, storage technologies, time of use tariff, capacity building, pipelines for transport and distribution).
- Enact legislation that enables the use of hydrogen and attracts investments in this field.

## 5 Direct economic impact of sector for Jordan (base case)



## 2. Water

Jordan's water resources are considered one of the most vulnerable globally, with an annual average of precipitation around 95 mm, while underground & surface water constitute 85% of available sources.

The agriculture sector consumes 50.17% of the available water resources, while 45.8% is consumed for residential purposes. The increasing demand for water due to demographic shifts and population growth has led to a steep decline in freshwater availability.

Further, Jordan has Non-Revenue Water of approximately 47%, which requires stringent efficiency measures and enhanced demand management.

# Executive Summary Water

## 1 Sector Facts (2021)



## 2 Strategic State of Sector

- Jordan's water resources are considered among the most vulnerable globally.
- Jordan receives an average of 95 mm of scanty rainfall; Underground and surface water constitute 85% of available sources.
- Majority of the water is consumed for agriculture (50.17%) and residential (45.8%) purposes.
- Increasing demand of water due to demographic shifts and population growth has led to a steep decline in fresh water availability.
- Jordan's NRW\* percentage stands at 47%.
- Need to improve demand management and adopt strict efficiency measures.
- Fresh water availability impacted by climate change leading to stressed aquifers.

## 3 Strategic Potential and Priorities for Jordan

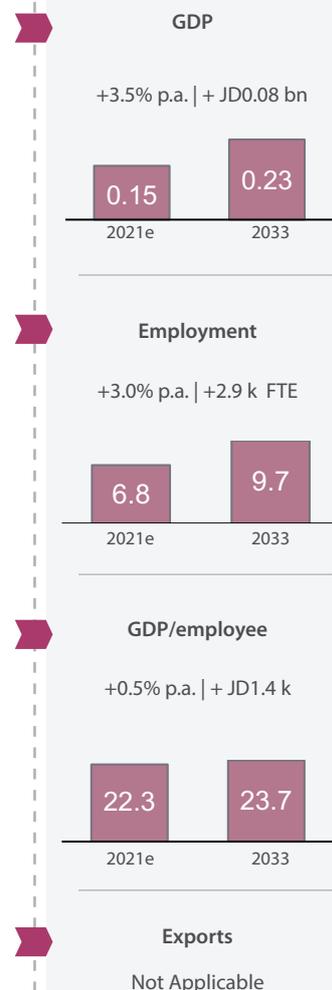
- Achieve water security for Jordan in a financially sustainable manner to improve the overall quality of life.
- Create innovative channels for enhanced water production.
- Enable sustainable water use through demand management.
- Reduce inefficiencies throughout the system and prioritize municipal water use.
- Overall solve for the water scarcity issue by finding new sources, reducing water losses, attracting investments and enabling thoughtful and optimal use of water.

## 4 Proposed Initiatives

- Reduce NRW\* by 2% annually.
- Launch national desalination projects.
- Provide opportunities for private sector investments.
- Improve efficiency of energy use in the water sector, increase the use of renewable energy sources, and implement water dam pumped energy storage projects.
- Improve water efficiency and financial self-sustainability.
- Upgrade water supply/demand management monitoring and control.
- Launch water conservation awareness program.
- Establish climate resilience and sustainable water use.
- Utilize technological solutions for water sustainability program
- Launch National Innovation Center.
- Proper implementation and enforcement of water laws and regulations.
- Establish Nexus Council (Water, Agriculture, Energy and Environment).

\* Non-Rvenue Water

## 5 Direct economic impact of sector for Jordan (base case)



### 5.3 Economic Growth Roadmap (2022-2033)

The roadmap (2022-2033) will focus on the contribution of various sectors in GDP and employment growth, including the required investment to realise the growth from the private and public sectors.

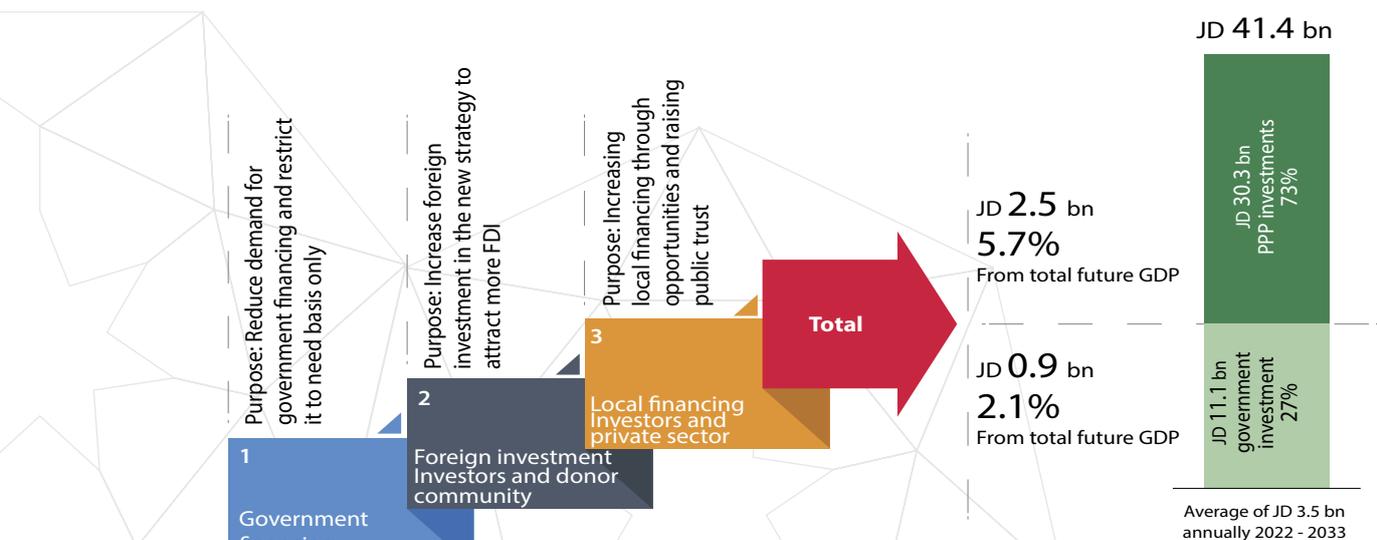
As for GDP, the ambition is to increase real GDP from JD 30.2 billion to JD 58.1 billion, which represents an increase of JD 27.9 billion and a growth of 5.6% per annum. The key drivers for growth include Future Services (adding JD 10.2 billion), High-Value Industries (adding JD 7.6 billion), and Destination Jordan (adding JD 1.9 billion).

For employment, the ambition is to increase employment opportunities for Jordanians from 1.6 million jobs to 2.6 million jobs by 2033, which reflects a 4.2% growth per year. The majority of this growth will be generated from three drivers: High-Value Industries (314k jobs), Future Services (397k jobs) and Destination Jordan (99k jobs).

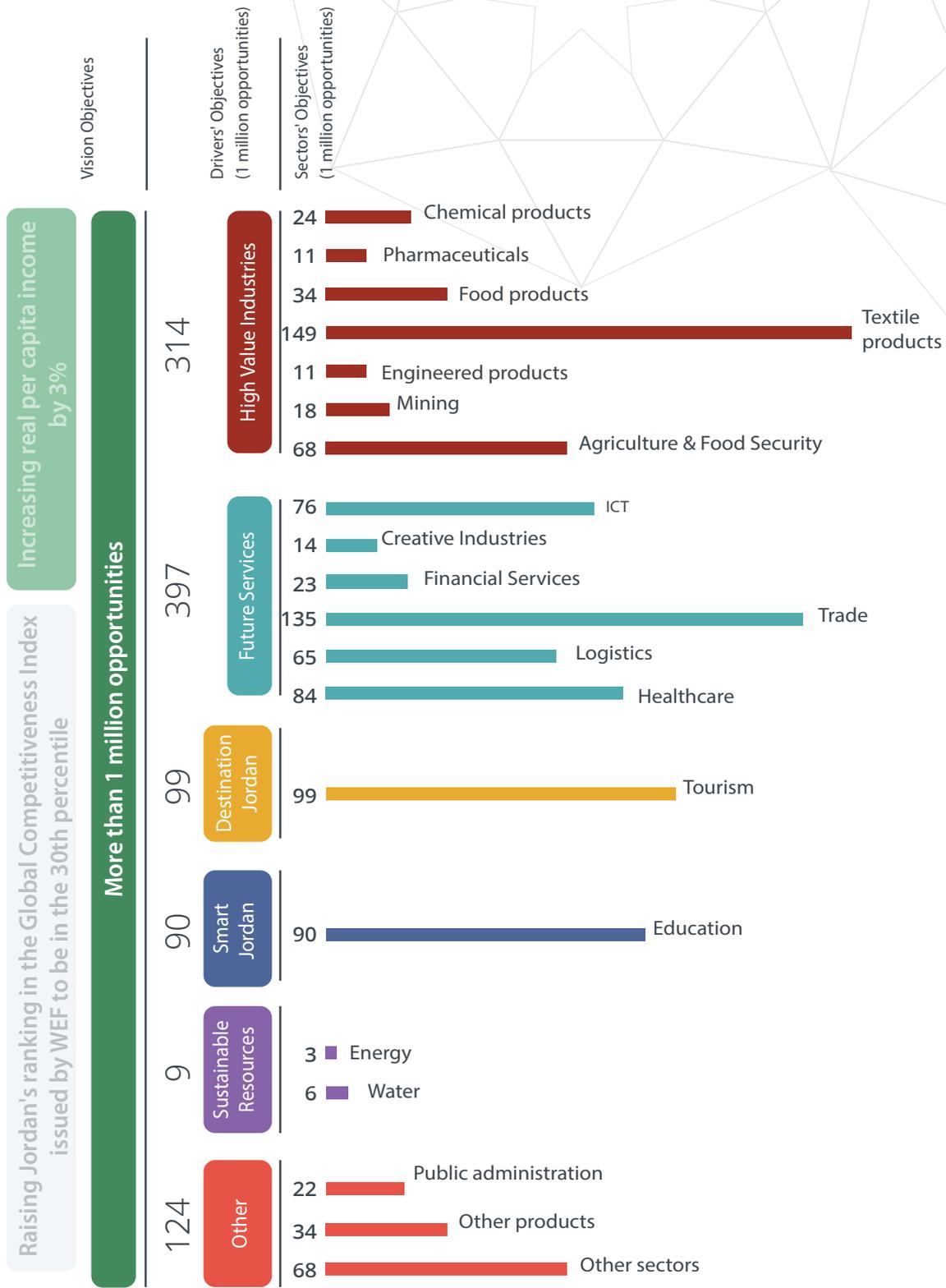
An overall investment of about JD 41 billion is required to achieve the Vision's goals, with the majority driven by the private investments (72%) coming from both domestic and foreign investments and public private partnerships.

**Figure (14): Vision Funding Sources**

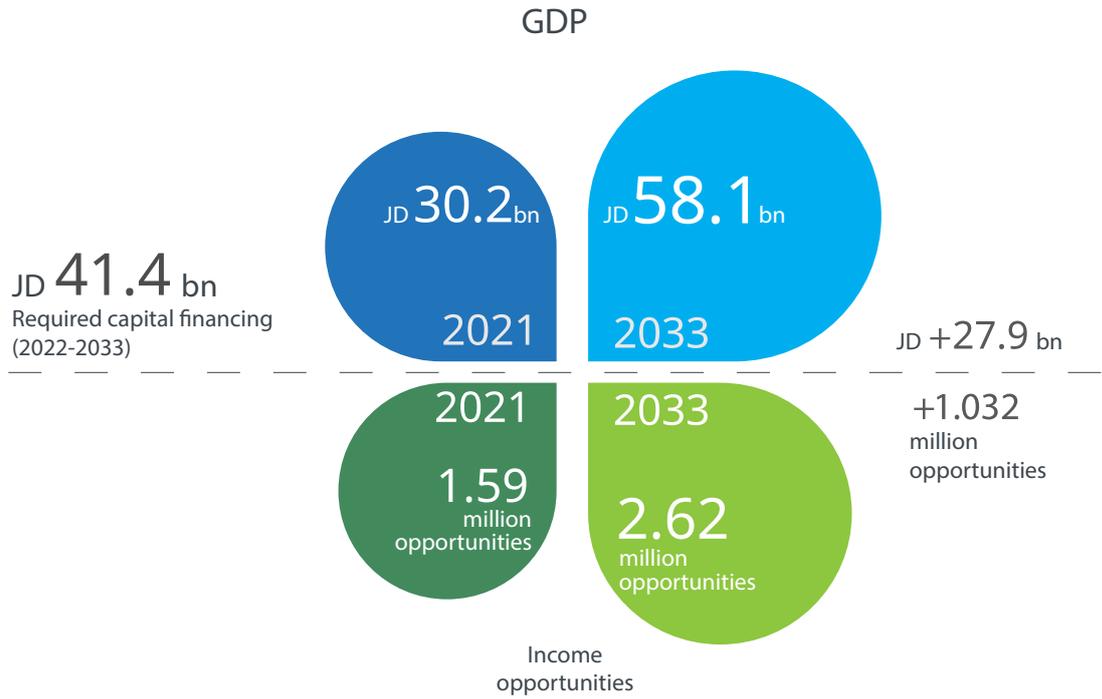
Reducing government capital investment, increasing foreign investment and covering the remaining financing required from the local private sector



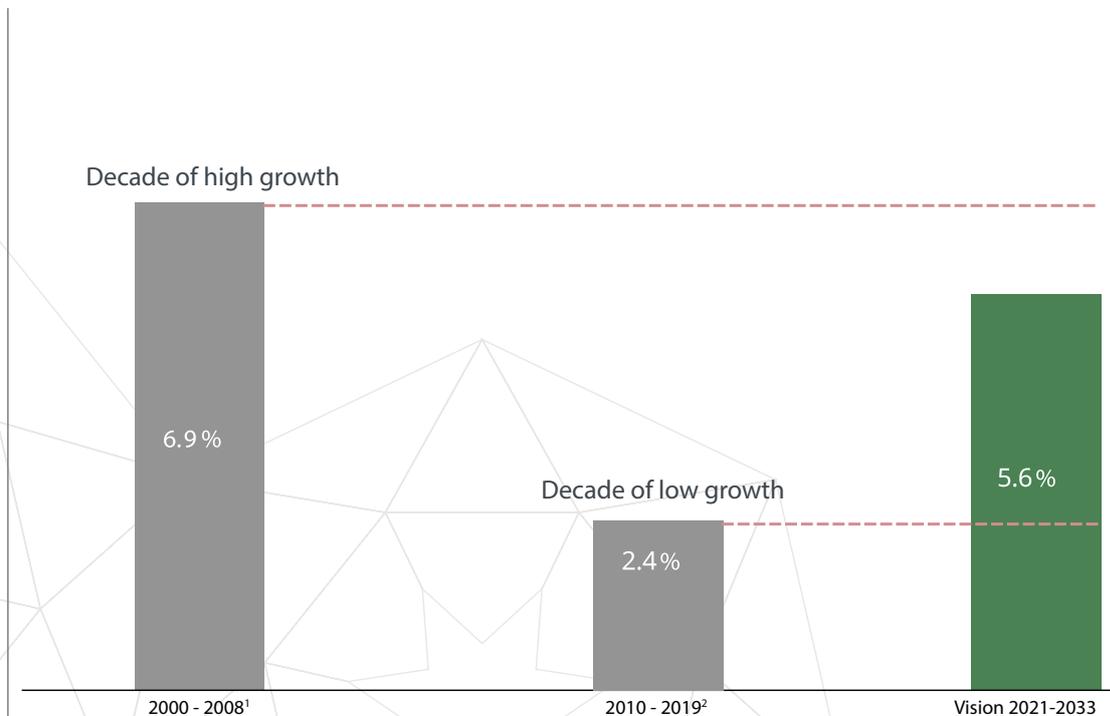
**Figure (15): Primary Growth Drivers' Contribution to GDP and Job Creation (2022-2023)**



**Figure (16): Required Capital Financing**



**Figure (17): GDP Growth Rates at Constant Prices**



1. Based on 1994 prices (excluding financial crisis period)
2. Based on 2016 prices (excluding COVID-19 impact in 2020)
3. Real estate sector was not included in the period 2021-2033, but it contributed 11% to GDP

# 6. Quality of Life Pillar

## 6.1 Quality of Life Strategy

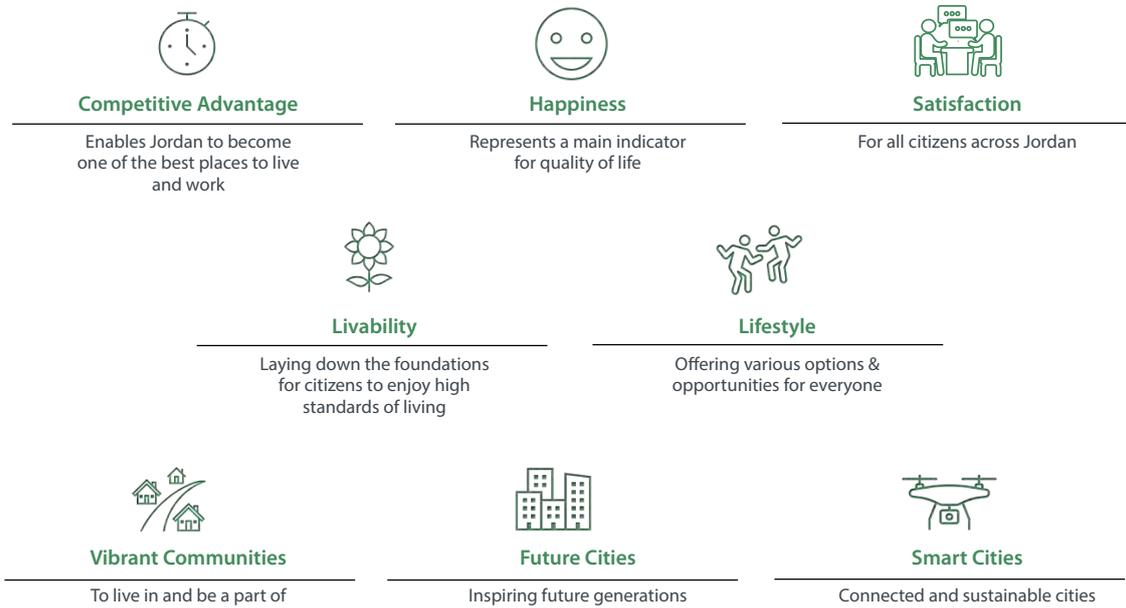
The second pillar of this Vision focuses on the quality of life and improving the living standards for all citizens.

As part of the formulation of Jordan Vision, a national survey of 2,500 Jordanian citizens was conducted to measure citizen's current satisfaction with their overall quality of life and with specific sub-elements. The survey indicated a satisfaction rate of around 40%, and the primary guiding objective of the quality of life pillar is to at least double the rate of citizen satisfaction to 80% by 2033.

Improving the quality of life for Jordanians begins with creating jobs and higher income opportunities across governorates, supplemented by developing an ecosystem that supports the creation of higher standards of living, more inclusive lifestyle options and experiences, and active citizen participation in the community.

To advance the attractiveness of Jordan's communities and create high standards of living and happiness, the quality of life pillar is built on the following eight guiding principles; competitive advantage, happiness, satisfaction, livability, lifestyle, vibrant communities, future cities, and smart cities.

**Figure (18): Foundations of the “Quality of Life” Pillar**



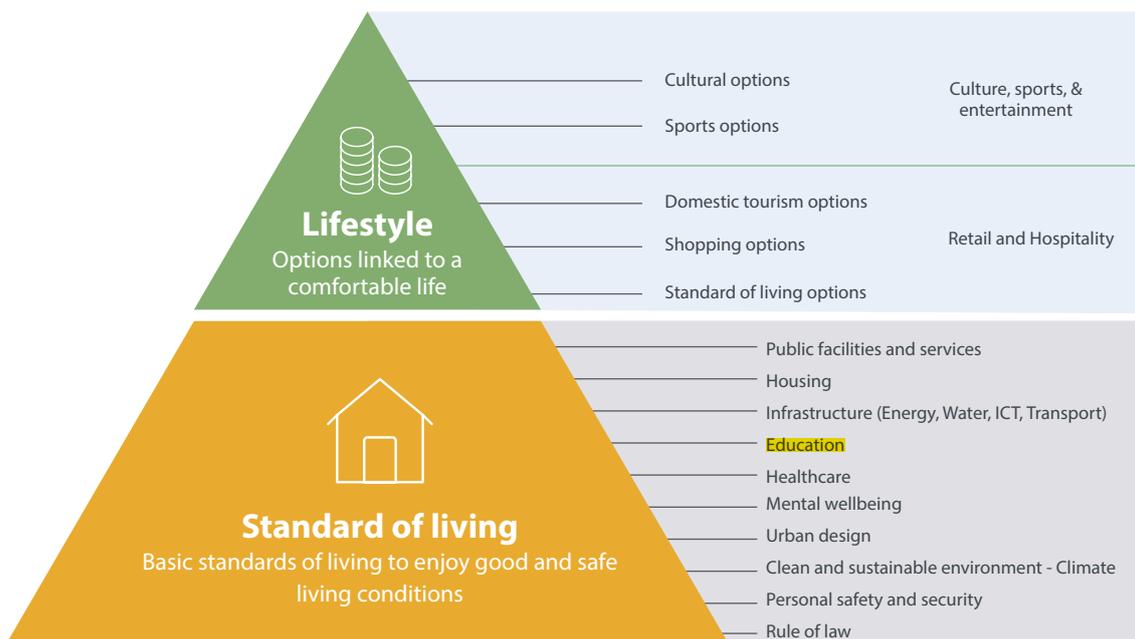
## 6.2 Quality of Life Development Priorities

The Vision breaks down the quality of life pillar into two primary components: (1) **Livability**, which includes the foundational elements required to leading decent and satisfactory lives, and (2) **Lifestyle**, which includes the supplementary lifestyle options required by citizens to live more enjoyable and comfortable lives.

The Vision aspires to improve the quality of life for all Jordanians by enhancing both components, which will make Jordan’s cities vibrant and will offer a high quality of life for its communities.

Both **livability** and **lifestyle** are critical to improving the overall quality of life for Jordanians, and must be enhanced in parallel to achieve true citizen satisfaction. The Vision has further identified 16 elements under both of these aspects, listed below.

Figure (19): “Quality of Life” Framework



Income (Job) and economic wellbeing are prerequisites to improving the quality of life

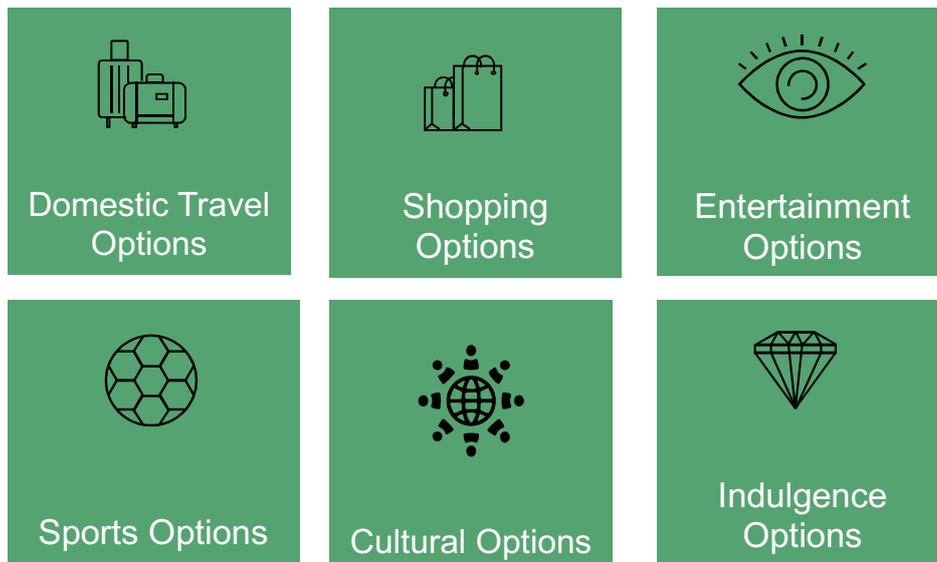
Under the concept of **livability**, 10 elements were identified as requirements to achieve satisfactory lives for all Jordanians, which are vital for citizens according to the aforementioned national survey; namely infrastructure, good healthcare, personal safety & security, and good education.

Figure (20): “Standard of Living” Main Components



Under the concept of **lifestyle**, six elements were identified as requirements to achieve enjoyable living for all Jordanians

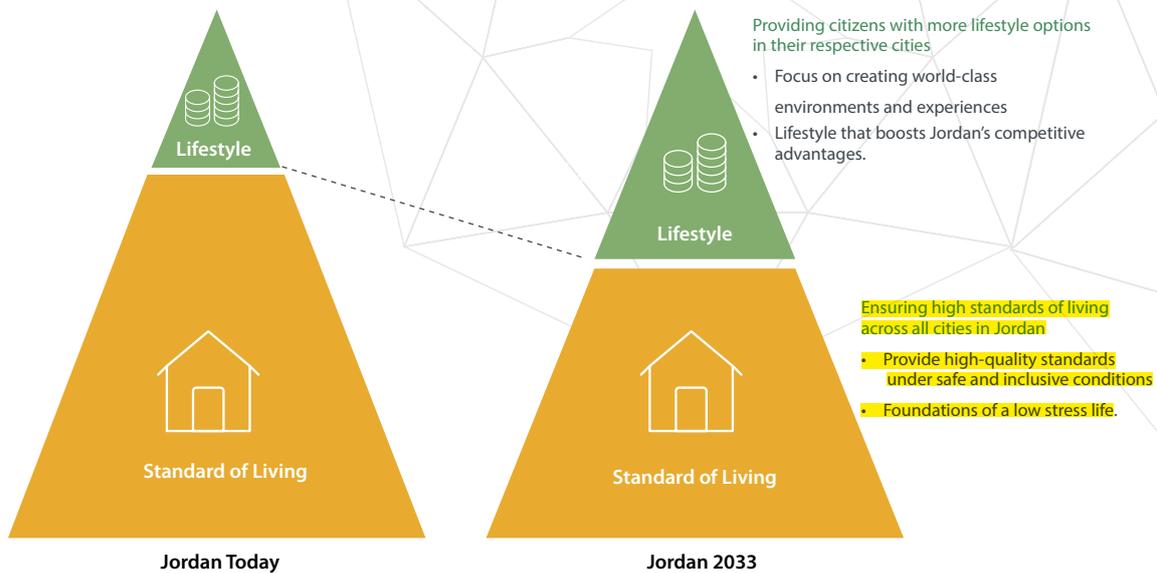
Figure (21): “Lifestyle” Main Components



Lifestyle elements become more relevant once basic livability needs are secure and income levels are improved, with the higher purchasing power allowing citizens to partake in more recreational lifestyle offerings such as domestic travel, cultural festivals and activities, in addition to more shopping options.

The Vision aims to transition Jordan in order to offer a better standard of living for all by focusing on solidifying the livability elements and moving beyond to provide attractive and meaningful lifestyle options and turning Jordan into a top-ranked destination to live and work.

Figure (22): “Quality of Life” Components’ Track (2022-2033)



The broadness of the definition of quality of life and the diversity of its elements naturally leads to a high level of overlap with the economic growth pillar, highlighting the interconnectedness between economic growth and improved quality of life for Jordanians. This is also indicated in the by the findings of the aforementioned national survey, a number of fundamental elements were identified as most pressing in terms of important of overall quality of life, which include healthcare, education, water, electricity, and roads (transport infrastructure). All of these ‘livability’ elements are separately addressed in their respective economic sectors as development priorities that would not only support economic growth, but also the enhancement of citizens’ overall quality of life.

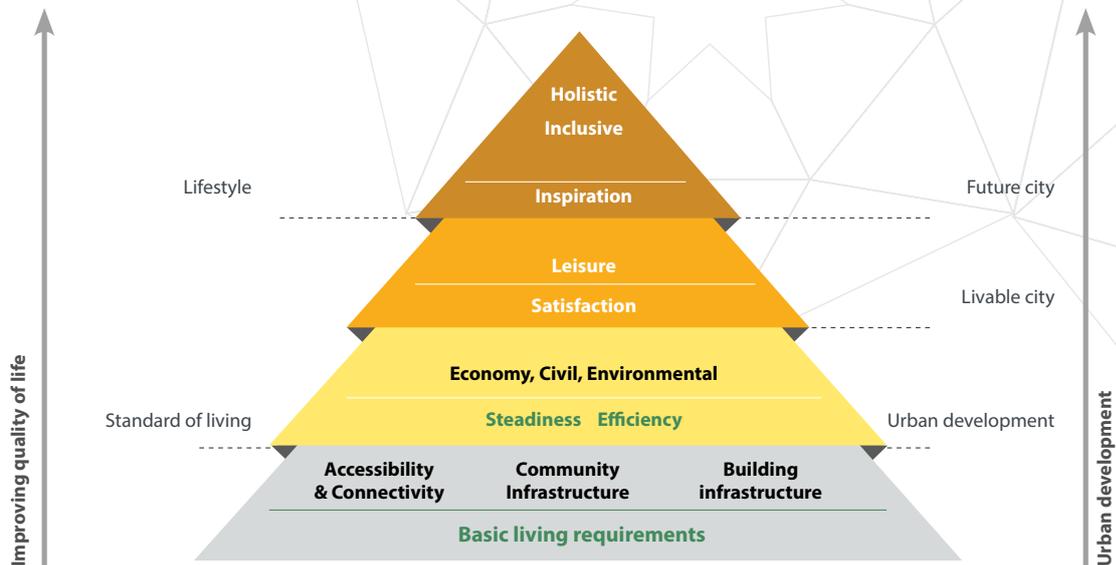
Therefore, the quality of life pillar, to an extent, is impacted by each Vision implementation driver. The different components are then tied together under the Vibrant Jordan driver, which will ensure that national development effort will be felt tangibly across communities, governorates, and regions.

**Figure (23): Interlinkages Between Growth Drivers & “Quality of Life” Pillar**



The Economic Modernisation Vision will aim to achieve a high quality of life for Jordanians by focusing on a transition towards a lively, smart, and vibrant Jordan through adoption of future cities concepts customised to specific Jordanian needs. Urban development and citizen-centric design principles will be a key driver to provide the thrust needed to improve the fundamental livability and lifestyle aspects of Jordan’s cities and communities and advance the towards meeting future citizen requirements and achieving higher quality of life.

**Figure (24): Nexus of “Quality of Life” & Urban Development to reach “Future Cities”**



Incorporating quality of life into urban development of local communities will serve as a pivotal component for overall future development across Jordan. Quality of life:

1. Fosters a healthy population and productive workforce, able to contribute to the achievement of the Vision development goals
2. Makes local communities attractive for businesses and investments
3. Achieves sustainable development goals via improving citizens wellbeing, social inclusion, transport, safety and security, and environmental sustainability
4. Provides measures that portray a clear roadmap for social progress along with spill-over effects that create economic opportunities
5. Enhances the decision making process of governments developing policies for Jordan to become more competitive on regional and global levels

Jordan has made urban development a key priority. For example, the Greater Amman Municipality (GAM) has implemented major improvements in delivering services (including e-services) and improving the required infrastructure. However, in international quality of life rankings, Jordan is positioned anywhere from the middle to the lower end of the spectrum indicating significant room for improvement.

Major strengths in Jordan include: effective delivery of basic needs such as personal safety and security, traffic safety, water supply; sanitation; and good quality of general education.

On the other hand, major challenges include lack of access to public spaces (green/walkable), lack of modern public transport network, growing concerns about food and water security/affordability, poor levels of institutional trust, public participation, and rule of law.

Developmental plans will therefore need to cater to 12 core quality of life building blocks to truly make our cities vibrant, prosperous, and enjoyable to both live and work in, with easy access to all services.

Accordingly, future cities and communities will be developed based on citizen-centric concepts focused on convenience, connectivity, easy access to affordable quality services, active lifestyles that promote well-being, and sustainability for Jordan's future generations.

Urban development is a key driver to fundamentally improve the livability of Jordan's cities and advance them towards meeting future citizen requirements. Urban development can help Jordanians achieve their desire to have a worry-free "livability" foundation and improve access to better "lifestyle" options as the kingdom evolves. Among the highest priorities of the Quality of Life pillar is the integration of "future city" concepts into urban development plans while addressing institutional and regulatory enhancements. This will serve as an enabler of Jordan's future economic growth strategy by creating livable communities with satisfied, motivated, and productive citizens.

## 7. Success Factors

Realising Jordan's Vision full potential necessitates the mobilisation of multiple enablers spanning the economic and the quality-of-life agendas. At the forefront is stimulating private sector investments to invigorate growth-prioritised sectors and scale up existing sectors such as high value industries and future services. Attracting private investments, through a clearly defined investment map and real public private partnerships, is a stepping-stone into realising this Vision.

Equally important is the availability of essential skills and talents to meet the needs of the future growth plans, and the demands of the fourth industrial revolution and market needs; ranging from technical and vocational skills to high-end specialised future-oriented skill sets in the priority segments. A dedicated implementation driver was identified for this purpose.

Innovation will be a vital driver to realise Jordan's potential and Vision goals. The innovation engine will boost efficiency and productivity through better solutions leading to new products and enhanced operational models will play a major role in boosting Jordan's value creation and resilience to external market shocks.

Entrepreneurship through the establishment of new businesses or scaling and growing existing businesses will play an essential role to unleash considerable growth potential. New businesses are particularly apt in detecting new trends and service emerging market niches, and simultaneously supplying medium and large businesses. This will create value chains that enhance Jordan's competitiveness and resilience. New business formation will range from micro and home-based businesses via traditional small businesses in services and manufacturing to startups in the technology and creative industries. This will promote a larger middle class and reduce income inequalities. Moreover, Jordan's climate will become more competitive, which in turn, will benefit consumers with variety and price benefits. Many of these small businesses will eventually grow into medium and large operations with significant job creation and economic contributions, including exports.

Lastly, Jordan will need to coordinate with its development partners to mobilise their technical and financial resources towards sectors and priorities that contribute to inclusive growth, job creation especially for youth and women, and achieve comprehensive and sustainable development in the future.

## 8. Vision Implementation Phases

The implementation roadmap was developed through an inclusive, multi-disciplinary approach, taking into consideration the necessary steps on the short, medium and long-term towards achieving the desired results, and ultimately fulfilling the strategic objectives of the Vision. The proposed roadmap ensures the successful linkages among sectors and the proposed actions to maximise synergies while avoiding redundancy.

The roadmap consists of eight economic drivers, each comprising a cluster of sectors and concerted actions identified at the National Economic Workshop geared at promoting specific strategic growth clusters mobilising the enablers required to realise the growth potential, job creation and/or achieve significant improvements in the quality of life for Jordan's citizens.

**Figure (25): Growth Drivers to implement the Economic Modernisation Vision**



While the High-Value Industrials Driver, Future Services Driver, and Destination Jordan Driver are primarily focused on generating quantum leaps in export-led growth, the Sustainable Resources Driver, Smart Jordan Driver, Invest Jordan Driver, Green Jordan Driver, and Vibrant Jordan Driver are centered around enabling accelerated future economic growth and substantial advances in the quality of life while also creating new income opportunities in various sectors such as education, utilities, and urban development.

The drivers were defined by combining logically connected sectors into cohesive groupings for the purposes of organising concerted actions. The groupings were based on three factors:

1. Linkages among sectors: logical linkages of a sector with other sectors to form value chains or growth clusters, e.g. mining with downstream chemical products manufacturing or agriculture with food processing, thus promoting the realisation of synergies across the driver.
2. Roles of sectors: drivers of economic growth against enablers of economic growth.
3. Common sectors' characteristics: shared attributes among sectors; for example, a common focus on knowledge and innovation as a source of competitive advantage.

Each implementation driver is detailed through a dedicated guidebook comprising a suite of specific implementation initiatives with proposed action points and implementing entities, in addition to clear objectives and metrics to track achievements. The implementation initiatives cover the period up to and including 2025, quick wins and a set of swift, fast-track actions that are earmarked to kick-start and produce initial tangible results in 2022.

While the roadmap provides a sound and lasting set of instructions, it should be adaptable and continuously reviewed to apply corrective action where necessary as circumstances evolve. By the year 2025, a thorough review of the roadmap is essential to realign and update as changes to Jordan's journey occur.

## 8.1 Implementation Timeline

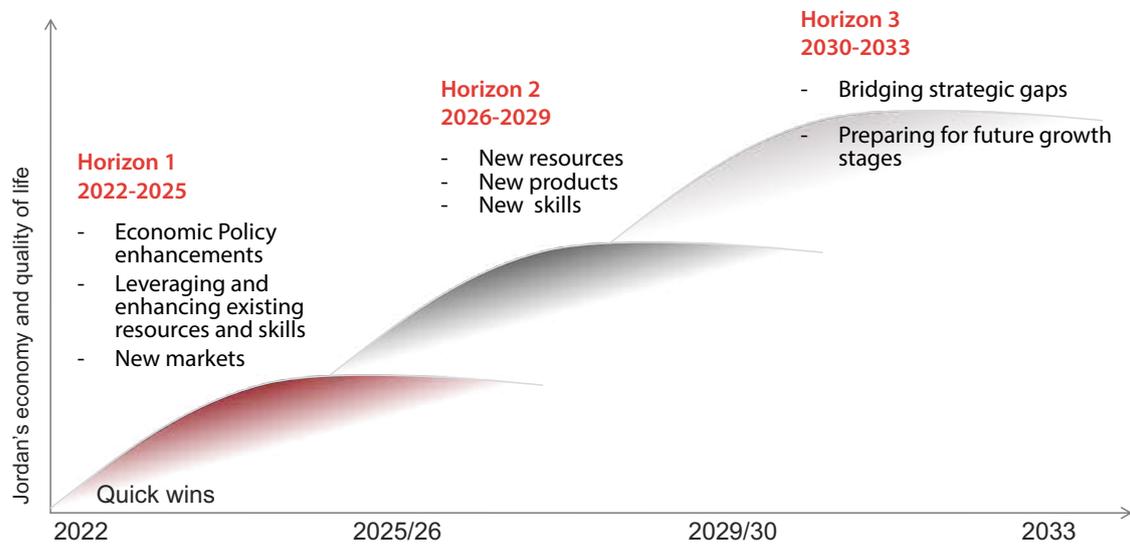
The implementation is scheduled to be implemented in 3 phases. Prior to the end of each phase, the roadmap will be reviewed to assess progress, and the need to reprioritise actions in collaboration with private sector partners.

**Implementation Phase I (2022-2025):** This is the most critical phase of the implementation with a strong and scalable foundation for Jordan's future journey. 93% of the of the 344 initiatives will be implemented within this phase, including quick win initiatives to be fast-tracked during remaining period of 2022, as identified by the sectoral economic workshops. At the end of this period in 2025, a thorough review of the roadmap should occur to take into consideration the changing environment its implications so that the long-term targets, priorities and implementation agenda can be refined to best meet Jordan's long-term ambitions.

**Implementation Phase II (2026-2029):** The second phase will build on progress achieved in the first phase. The focus of this phase will be on fully leveraging and further extending the achievements of phase one. This phase will also take into consideration most recent developments that will have created new opportunities to capitalise on, but also new challenges to confront.

**Implementation Phase III (2030-2033):** This represents the last phase of the Vision journey. In this phase, the focus will be on preparing to meet the needs of subsequent decade by setting new long-term directions, creating new foundations, and catalysing the necessary changes ahead of time. The related plan will be developed in 2029.

**Figure (26): Vision Implementation Timeline**

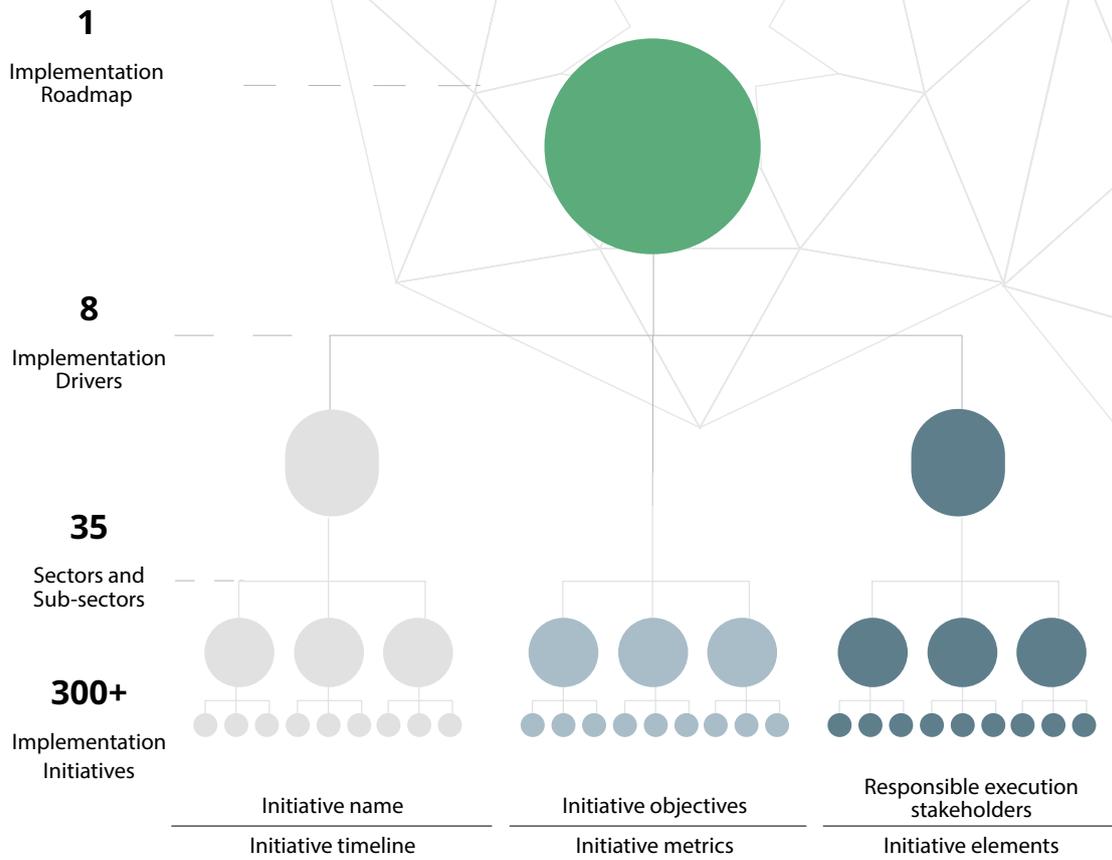


## 8.2 Implementation Drivers

The implementation roadmap includes comprehensive and various actionable initiatives, which have been identified throughout the sectoral economic workshops, with a particular focus on the period 2022-2025.

At the heart of the roadmap are eight drivers that will lead the implementation. Each driver is broken down into specific sectors to action the implementation. In total, there are 35 sectors and sub-sectors and over 300 initiatives. Each initiative is mapped into an initiative card containing the initiative objectives, stakeholders subdivided into initiative owners and participants, a timeline with specific start and end points, initiative metrics to track the progress and delivery, and a detailed checklist of deliverables to be addressed through the implementation process— including an emphasis on unleashing women and youth's potential across all domains.

Figure (27): Vision Roadmap Structure



The following section depicts the drivers, sectors and some initiatives in details.

**Figure (28): Distribution of Initiatives according to Growth Drivers & Economic Sectors**

8 Implementation Drivers	35 sectors	366 initiatives	Sectors
 High Value Industries	9	104	Mining   Chemical Products   Pharmaceuticals   Engineered Products   Textile Products   Agriculture and Food Security   Food Products   Logistics
 Future Services	8	85	ICT services   Creative industries (E-gaming)   Creative & design   (Film)   Healthcare   Financial services   Trade   Mobility
 Destination Jordan	2	25	Culture & Nature Tourism   Medical & Wellness Tourism   Faith Tourism   Film Production Locations
 Smart Jordan	8	85	Education   (ECD)   K12-   Higher Education   TVET   Data   R&D & Innovation   Entrepreneurship & Startups
 Sustainable Resources	2	18	Energy   Water
 Invest Jordan	1	16	FDI   Domestic Investments   PPP Projects   Mega Projects
 Green Jordan	3	20	Green Economy   Green Economic Sectors   Green Living
 Vibrant Jordan	2	13	Urban Development   Quality of Life



### High-Value Industries Driver

The 'High-Value Industries Driver' contains 9 sectors and 104 initiatives. This driver steers the implementation of future strategies to advance Jordan's industrial economy, turns Jordan into a major industrial hub for the region and transforms the Kingdom into an export center for products within Jordan's strategic focus. Particular focus is placed on building integrated value chains, driving productivity and innovation, and realising synergies across Jordan's industrial portfolio by seamlessly connecting sectors in terms of supply, knowledge and market flows.

- Manufacturing| General: 15 initiatives, including developing a manufacturing sector strategy to enhance the sector's competitiveness and stimulate exports, launching 'women-in-manufacturing' careers initiative and promoting entrepreneurship within the sector (SME stimulus/value chains).
- Manufacturing| Food products: 15 initiatives, including implementing domestic food security improvements, launching a local and international food products marketing & promotion campaign, and launching food sector industrial crops specialisation (backward integration).
- Manufacturing| Pharmaceuticals: 11 initiatives, including developing a detailed pharmaceutical sector exports strategy & roadmap, turning biological/bio-technological drugs & biosimilar into marketable products, and setting up a pharmaceutical sector-specific R&D advancement initiative.

- Manufacturing| Textile products: 10 initiatives, including developing a textiles sector investments initiative, horizontal expansion to enhance value add within the sector, and increase sales throughout the season, expanding the textiles vocational skills training program, and promoting local talent employment in the sector.
- Manufacturing| Chemical products: 9 initiatives, including developing a national chemical sector growth strategy and investment roadmap, defining a detailed downstream manufacturing strategy for potash & phosphate feedstock (value-added products / derivatives business) to boost food security (e.g. nitrogen fertilizers), and setting up a chemicals products manufacturing complex, in addition to upgrading infrastructure.
- Manufacturing| Engineering industries products: 9 initiatives, including designing detailed feasibility assessments on how to enter fast-growth future product categories (systems solutions/hardware for mobility, AgTech, security etc.), setting up R&D and innovation center for high-potential engineered products solutions, their value chains and commercialisation opportunities, and accelerating the rollout of the fourth industrial revolution's solutions across Jordan.
- Mining: 14 initiatives, including revising sector's laws and regulations according to best practices, establishing an entity responsible for geological surveying to provide exploration companies with available data, launching an FDI outreach campaign, establishing mid/downstream cluster projects, introducing a talent mining initiative, and designing a mining strategy to unleash potential within the sector.
- Agriculture: 15 initiatives, including establishing a dedicated Food Security governing body, setting up an Integrated Agro-Industrial Food Park, launching a Jordan Food Investment Acceleration Fund, enhancing Jordan's grain storage (particularly wheat and barley), and leveraging the Kingdom's geographic location to become a regional food security hub .
- Logistics: 6 initiatives, including strengthening regional transport links, building the north-south railway network, the Kingdoms northern part with its southern part through the national rail network, upgrading port facilities and roads network, renewing/modernising trucking fleet, revamping the transport institutional framework, and developing specialised human capacity.



## Future Services Driver

The 'Future Services Driver' comprises eight sectors with 85 initiatives. The driver supports the realisation of Jordan's ambitions to develop a sizeable, high-value and export-oriented service economy with strong presence across a distinct portfolio of knowledge intensive offerings.

- ICT services: 13 initiatives, including establishing a regulatory sandbox for disruptive technologies and virtual free zone for start-ups, developing a future-ready highly skilled workforce, and creating a cabinet level department at PMDU Digitising Unit to drive and oversee the end-to-end digitised services for citizens and investors, and rolling-out of 5G services.
- Creative industries | General: 9 initiatives including establishing a representative body or council for creative & cultural industries to streamline relevant government processes related to the sector, integrating design and design thinking in government and governmental touchpoints, establishing the required physical and services infrastructure and ecosystem needed for the sector's development.
- Creative industries | E-gaming: 9 initiatives, including investing in a gaming venue equipped with technologies capable of hosting large-scale events, hosting local E-sports events, and attracting foreign teams and foreign Jordan-based E-gaming investments by leveraging infrastructure capacity and proximity to E-sports servers.

- Creative & cultural industries | Design: 13 initiatives, including establishing a Jordan Design Council (public and private sector ) to advise on inclusion of design and innovation in public endeavors that affect lives of citizens, tourism, education and the internal and external branding/promotion of Jordan, developing a “Designed in Jordan” campaign for local, regional and global promotion of Jordanian talents in design excellence across architecture, product design , crafts, brands, graphics, digital experiences and events, in addition to revising the status of the National Center of Innovation.
- Healthcare: 10 initiatives, including launching health governance reform framework, deploying family health at PHC level with management & leadership improvement programme for health institutions (across continuum of care), and launching digital transformation of the healthcare system.
- Financial services: 13 initiatives, including continuing efforts to expand financial inclusion across all segments, deepening Jordan’s capital markets, stimulating Amman Stock Exchange, launching digital transformation initiative, and restructuring the insurance sector.
- Trade: 12 initiatives, including re-examining customs, taxation and shipping regulations, boosting e-commerce-friendly environment, and upgrading port and warehousing infrastructure.
- Transport and Mobility: 6 initiatives, including upgrading transport infrastructure and services, developing a comprehensive master plan for public transport across Jordan, completing the second phase of BRT project, improving the efficacy of road management through technology deployment, upgrading safety level of public roads, enhancing environmental policies and regulations for people’s mobility (EVs, lower GHG emissions, etc.), and rehabilitating roads’ infrastructure through introducing tolling.

# الأردن وجهة عالمية

## Destination Jordan



### **Destination Jordan Driver**

The 'Destination Jordan Driver' contains 2 sectors with 25 initiatives. The driver steers the implementation of Jordan as a prime destination for international niche tourists, especially for culture and nature tourism, medical and wellness tourism, faith tourism, MICE tourism, as well as film producers seeking unique locations by developing a customised, world-class sector ecosystem.

- Tourism: 16 initiatives, including developing marketable experiences with focus on travelers seeking world-class culture, nature, adventure, faith, medical and wellness experiences through leveraging Jordan's unique, world-class assets including such unique areas as the Dead Sea and Petra.
- Film production locations: 9 initiatives, including establishing new up-to-date studios and backlots, enabling an international Film university to establish a campus in Jordan, and investing in world-class globally-promoted local productions.



## Smart Jordan Driver

The 'Smart Jordan Driver' includes seven sectors with 65 initiatives. The driver targets the implementation of necessary steps to develop a foundation of future-ready talent base, resources, systems, and institutions to upgrade quality of life for citizens.

- Education | General: 13 initiatives, including developing one umbrella entity for human resource development for the education sector, reforming curriculum & pedagogy across the education ladder, as well as reviewing, implementing, & mandating educator training program.
- Education | Early Childhood Care & Development (ECCD): 10 initiatives, including developing appropriate curriculum and programmes for early childhood learning, establishing a unified ECCD council to be responsible for developing and monitoring a cross-ministerial ECCD plan and developing ECCD programmes, standards and content, in addition to expanding the establishment of cost efficient ECCD programmes including infrastructure for KGs and nurseries.
- Education | Basic & Secondary Education: 12 initiatives, including developing and adopting a competency-based selection, recruitment and accountability system using contract-based employment for all education staff, structuring and mandating pre-service training and licensing programmes, and establishing continuous professional development programme for all educators (teachers, principals, supervisors...)

- Education | Higher Education: 9 initiatives, including reforming faculty & staff recruitment mechanism, scholarships, continuing professional development, promotion, developing entrepreneurship bylaws & regulations, launching industry linkages and labor market assessment for higher education (matching exercise), launching micro-credentialing for higher education and introducing multiple educational pathways.
- Education | Technical and Vocational Education and Training (TVET): 17 initiatives, including integration of TVET within singular governing agency, establishing programmes for TVET educators training and professional development, and developing National Framework for Work-based Learning.
- R&D & Innovation: 9 initiatives, including empowering/reforming/restructuring the Higher Council for Science & Technology and expand mission, developing innovation centers to support public and private sector, building a crucial mass of focused researchers, and launching branding campaign for Jordan as an R&D & Innovation hub
- MSMEs, Entrepreneurship & Startups: 8 initiatives, including establishing/empowering a national development authority (Rise Up Jordan), developing microbusiness incubator & aggregator network, developing and launch "Start-up Factory" programme and establishing funds to support entrepreneurs across Jordan.
- Data: 7 initiatives, including developing a detailed National Data Strategy cascaded from MoDEE's Digital Transformation Strategy, activating regulatory framework for data collection, exchange, and establishing a National Information System to empower citizens, businesses, and governments in making evidence-based decisions.



### **Sustainable Resources Driver**

The 'Sustainable Resources Driver' contains two sectors with 18 initiatives. The driver steers the implementation of efforts to optimise the use and enhance the sustainability of Jordan's natural resources in the areas of energy and water as a precursor to unleashing Jordan's economic growth and quality of life potential.

- Energy: 8 initiatives, including developing an actionable energy transition roadmap (renewables, hydrocarbons, hydrogen, etc.), enhancing energy infrastructure (smart power grid, storage handling, transit pipelines, etc.) and promoting energy cost reduction mechanisms (reform tariff structure, renegotiate PPAs, time of use, etc.)
- Water: 10 initiatives, including enhancing water supply and demand management monitoring/control, promoting climate resilient & sustainable water use practices, , launching water desalination projects to enhance water security for Jordanians, and implementing the new Non-Revenue Water strategy to reduce losses in the system.



### Invest Jordan Driver

Providing financing will enable the economy to achieve more growth, which will lead to an uptick in the national GDP to reach to JD 58.1 billion by 2033, an increase in income and job opportunities to accommodate more than one million young men and women within the next decade.

The largest share of the required fixed capital lies within five main sectors: industry, healthcare, Transport & Logistics, ICT services, and the water sector, totaling to about JD 20.7 billion over the next ten years.

**Figure (29): Required Net Growth for Fixed Capital by Sector (2022-2033)**

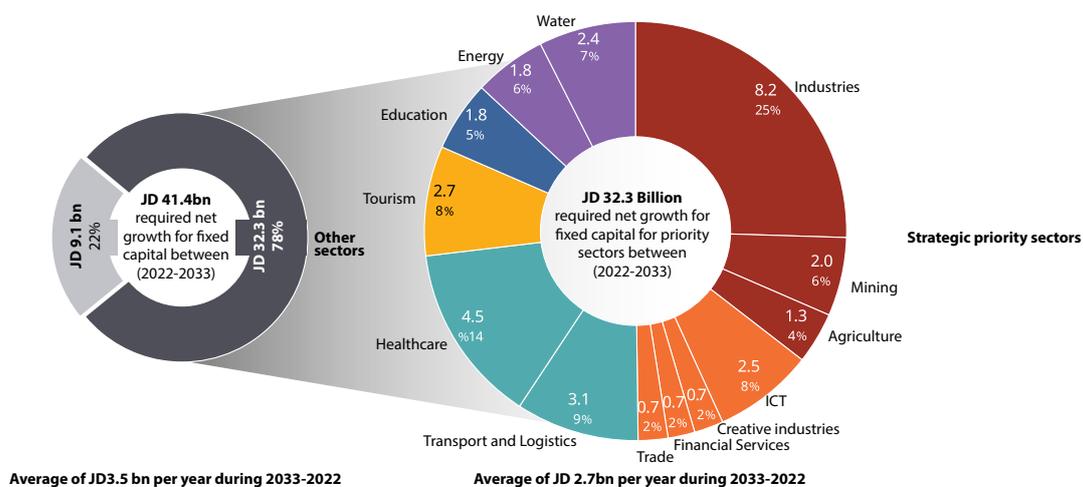
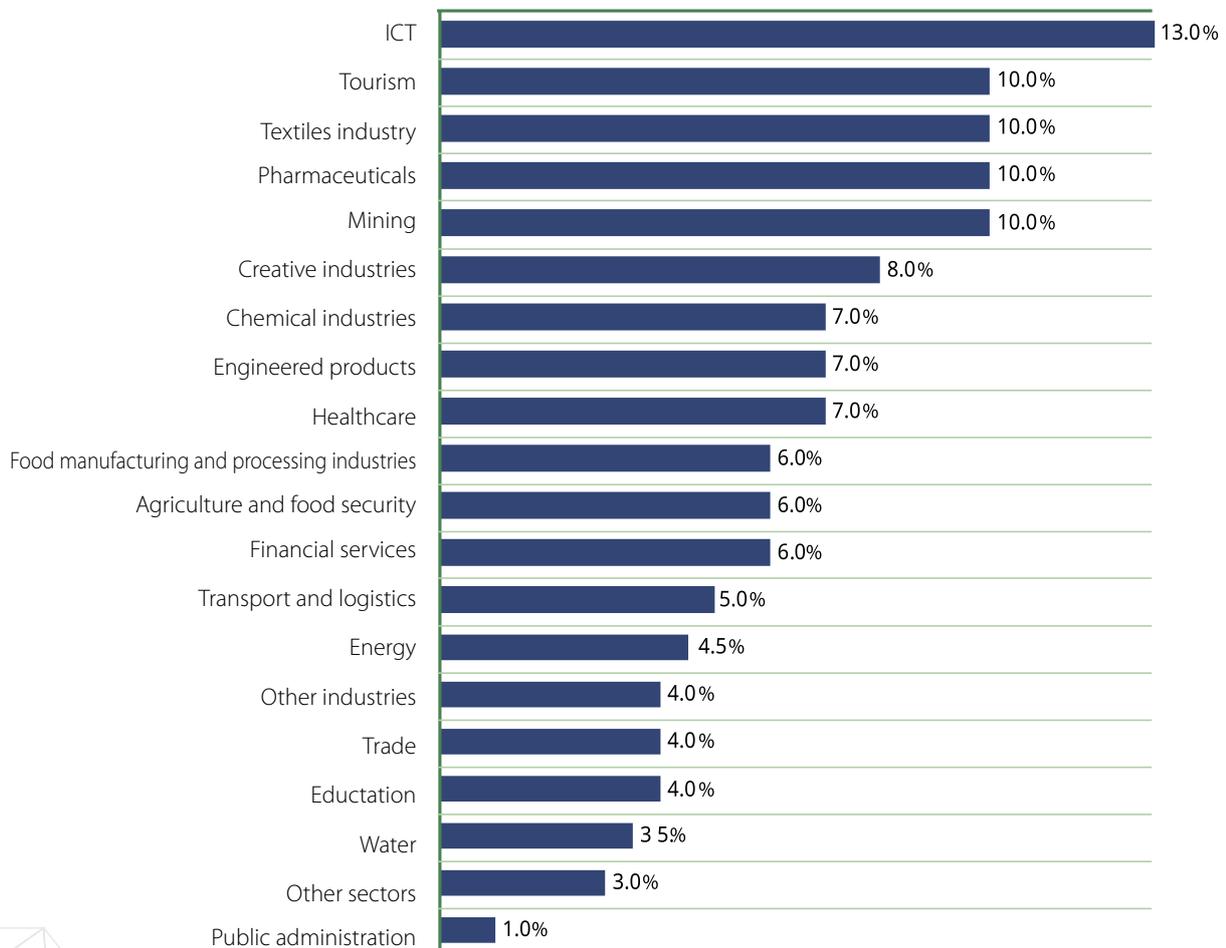


Figure (30) shows the average annual growth rate for each sector according to National Economic Workshop's agreed-upon outcomes, experts' projections, and leading practices in this field.

**Figure (30): Targeted Sectoral Growth Rates\***



1- Includes cement industry and major minerals and refining and other products

\* Target growth figures were decreased by 30%, with an aim to create 1 million income opportunities throughout the next decade.

Figure (31): Expected Investments in JD billion (2022-2033)



The 'Invest Jordan Driver' comprises 15 initiatives targeting FDIs, domestic investment, and boosting the business environment. The driver steers the implementation of efforts to catalyse domestic and foreign investments to feed Jordan's economic growth engine, and work towards a world-class best-practice investment ecosystem.

- Investment activation: 15 initiatives for FDI and domestic investment, including developing a National Investment Strategy along with sector- and domain-specific investment plans, developing a holistic national library of viable investment opportunities that includes mega projects and potential PPPs, developing investor relationship management systems, launching a permanent initiative to enhance Jordan's international competitiveness and rankings as a more attractive investment destination, as well as launching an impact-driven investment incentive programme (monetary and non-monetary) with a clear evaluation and assessment framework.



### **Green Jordan Driver**

The 'Green Jordan Driver' consists of three sectors with 20 initiatives. The driver steers the implementation of efforts to promote sustainable practices and climate change actions as an integral part of enabling Jordan's growth while setting boundaries that will protect Jordan's environment and resources for future generations.

- **Green Economy:** 7 initiatives, including aligning institutional structures & capabilities with future green economy requirements, linking Jordan's green investment opportunities to the national investment priorities, and launching Jordan "Green Jobs" initiative.
- **Green Sectors Growth:** 7 initiatives, including turning Jordan into a leading country in the region in renewable energy and energy efficiency, launching a national sustainable transport system, and implementing circular economy practices in industrial activities with a focus on eco-industrial parks.
- **Green Urban Development:** 6 initiatives, including creating & deploying Jordan-specific green urban concepts, integrating green elements into land-use planning, and launching 'net-zero buildings' initiative.



### **Vibrant Jordan Driver**

The 'Vibrant Jordan Driver' contains two sectors with 13 initiatives. The driver steers the implementation of holistic, citizen-centric, and environment-focused efforts to enhance substantially the quality of life for all Jordanians with a focus on ensuring that basic livability standards are well met as the base of truly livable cities and communities while creating new lifestyle options.

- **Urban Development:** 7 initiatives, including developing "future city" concepts customised for Jordan and enhancing urban planning governance through the development of legislative systems and alignment with future cities' besides deploying an Urban-Think Tank and data observatory.
- **Quality of Life:** 6 initiatives, including developing smart mobility systems, launching open and green spaces initiatives, and implementing green building standards.

To achieve the maximum benefits of all elements, the road map implementation has to capture the linkages between sectors and initiatives, maximising synergies and mining for joint efforts while avoiding overlaps and conflicts. Hence, rigorous coordination should combine all efforts across the entire portfolio and not particularly the single efforts, as this is crucial to realising this extra potential.

## 8.3 Turning Jordan's Economic Modernisation Vision into a Reality: The Realisation Model

### 8.3.1 Key Success Factors

Analysis of previous strategies and plans, as well as the study of international benchmarks highlighted key lessons used to develop a list of critical success factors needed to ensure the successful implementation of the Vision.

1. **A Unified Vision:** One of the most critical success factors is having a unified vision that streamlines efforts of various entities and successive governments towards the achievement of the identified goals.
2. **Strong Governance:** Strong governance, ownership and accountability are essential to clearly define all the stakeholders involved in the implementation process, their roles and responsibilities, and how their respective mandates fit within the wider implementation process and ensure tangible results.
3. **Human Resources:** Dedicated human resources are required within the various entities responsible for implementation, follow up and delivery of the vision.
4. **Institutionalising Processes:** Planning, execution, change management and risk assessments, monitoring, evaluation, and reporting are examples of some of the key processes that must be developed and followed across the entire eco-system of delivery.
5. **Data Sources:** Unified data sources that are consistent, transparent, accurate and timely are critical to evaluate progress and ensure proper monitoring and reporting.
6. **Change Management and Communication:** Active and bi-directional change management, communication plan, and execution support to ensure that the messages are being delivered, buy-in is in place and feedback is being received.
7. **Results-Focused:** Constant evaluation of the outcomes to ensure that the desired deliverables have been achieved.
8. **Access to Technical Expertise:** Ability to benefit from technical expertise and local and foreign talents to implement the Vision execution plans.

9. **Access to Funding:** Ability to access the required funding, including domestic and foreign direct investments to support the Vision delivery through the proper governance, processes and channels.
10. **Agility:** Ability to promptly and effectively make and take decisions, and adapt to urgent changes and developments through a transparent and systemised process.

### 8.3.2 Monitoring and Evaluation

1. **The Prime Ministry Delivery Unit** will have the overall responsibility for the delivery of the Vision initiatives, associated KPIs and ensure continuous coordination between ministries and public institutions.
2. **Ministeries' Delivery Units**, located at ministeries and public institutions, will be responsible for Vision implementation and continued coordination with line ministeries.
3. **The Ministry of Planning and International Cooperation** will be responsible for coordinating and preparing Vision execution plans in coordination with line ministeries.
4. **The Royal Hashemite Court (RHC)** will be responsible for monitoring progress on Vision implementation and results.



We aspire to a Jordan characterised by excellence and creativity, open to change and development, receptive to new ideas, incubating for diversity, embedded in our shared values to remain a symbol of tolerance and altruism. These are the values rooted in Jordan, which makes it an exemplary for progress, openness, moderation, and authenticity.

Turning the Economic Modernisation Vision into reality requires intensifying our efforts to reinforce our strengths and address our weaknesses throughout the planning and implementation process. Henceforth, we must boost performance in various sectors, and provide opportunities and decent services to all citizens. Effective steps should be taken to increase our exports, attract foreign investments, and support domestic investments. Detailed processes should also be delineated, in conjunction with a specified timeframe, to address obstacles facing the growth of our private sector, and tackle the systematic and inherent issues at the administrative level of our institutions.

The choices and decisions we make today will shape the lives of future generations to come. Let us work together, with confidence, faith and consensus, to provide a decent livelihood in our country, for the present and the future.



## **Economic Modernisation Vision**

Unleashing potential to build the future



For additional information on the  
Economic Modernisation Vision, please visit

[www.jordanvision.jo](http://www.jordanvision.jo)