# WORLD TRADE

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Working Party on the Accession of Jordan

## ACCESSION OF JORDAN

<u>Questions and Replies</u> on the Memorandum on the Foreign Trade Regime

(Documents L/7533, WT/ACC/JOR/2 and 3)

The additional questions submitted by Members and the replies thereto provided by the authorities of the Hashemite Kingdom of Jordan are reproduced hereunder.

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## II. ECONOMY, ECONOMIC POLICIES AND FOREIGN TRADE

- 2. Economic Policies
- (a) Main directions of ongoing economic policies

## Question 1.

Will there be a five year plan for the years 1998-2002? If so, could Jordan supply a copy of this plan.

#### **Answer:**

Yes, there will be a five year plan. It is in the process of preparation.

## **Question 2.**

Jordan explained that the only instrument of protection is the tariff-import, quotas, bans, and licensing requirements have been eliminated. We welcomes this statement and would note that this should form the basis for appropriate commitments in the draft working party report.

#### **Answer:**

There is still ban on imports of table salt, mineral water, used cars older than five years, plastic and nuclear waste. Licensing requirements are still in place for imports from countries with which Jordan has preferential trade agreements.

#### **Subsidies**

## **Question 3.**

We refer Jordan's reply to question 89 of WT/ACC/JOR/8. Does Jordan mean that it intends to seek the agreement to have recourse to Article 27,2 for a period of eight years, or is Jordan proposing a lesser period in which to phase out is subsidies?

#### **Answer:**

Jordan has not decided yet on the period to phase out its subsidies. But it will need sometime to do that.

## **Question 4.**

In relation to interest rate subsidies, are the interest rate subsidies (reply to question 81 of WT/ACC/JOR/8) provided to exporters of agricultural products only? Can Jordan provide further details on the nature and administration of the interest rate subsidies? Are the subsidies paid contingent upon export?

#### **Answer:**

The interest rate subsidies on loans granted by the Central Bank are not only for exporters of agricultural products.

# Sectoral policy objectives and industry development policies

#### **Question 5.**

Jordan's revised memorandum (WT/ACC/JOR/3) covers a number of sectoral policy objectives (pages 10-12) and industry development policies (in Section II).

We refer to questions relating to the policies indicated in the Economic and Social Development Plan for 1993-1997. It is worth mentioning that economic development plans in Jordan are indicative. Thus some policies might have been fully realised while others have might not. To answers these questions are not relevant any more, as a new plan is in the process of preparation.

What measures are planned to facilitate energy sector adjustment?

#### **Answer:**

## Electricity sector

- (a) The new Electricity Law No. 10 of the year 1996 was issued in September 1996. Based on this law the following adjustments in the electricity sector have been made:
  - the Jordan Electricity Authority (JEA) was transformed to a public share holding company named National Electricity Power Company (NEPCO), owned 100 per cent by the government and operates on commercial basis;
  - the establishment of an independent and transparent regulatory commission to regulate the power sector including the control of electricity pricing;
  - the private sector investments in the electricity generation is allowed.
- (b) The Ministry of Energy and Mineral Resources (MEMR) with the assistance of an international consulting firm is studying and reviewing all the related subjects to introduce the first Independent Power Project (IPP) in Jordan.
- (c) In regard to unbundling of the electricity sector, the Government has taken the decision to restructure the National Electric Power Company (NEPCO) into at least three separate companies. (i) one or more companies to own and operate the power generation plants; (ii) one or more companies to own and operate the distribution assets; and (iii) one company to own and operate the transmission grid. Private sector investment and ownership would be sought for generation and distribution companies, while the ownership of the transmission company including the electricity dispatch center would be held to the public sector.

The new two generation and distribution companies out of NEPCO were officially registered at the Ministry of Trade and Industry on 12 February 1998.

## Oil and gas sector

(a) The Petroleum Directorate in the National Resources Authority (NRA) was partly transformed to a national company for drilling and exploration, in 1995.

The government has established the National Petroleum Company (NPC) under Jordan's companies law, and gave it concession over the gas-producing Risha area. The NPC, was formed partly from assets separated from NRA.

- (b) In conformity with the Council of Ministers Resolution of 4 October 1997, the NPC's drilling operations are being separated into a new private company under the companies law named "Petra for Drilling".
- (c) A mining investment company has been already established as well.
- (d) Natural Resources Authority is responsible to negotiate joint ventures with international companies to generate investments.

#### **Question 6.**

Jordan states that it wishes to expand private investment, establish labour intensive projects and promote export industries (page of WT/ACC/JOR/3). What measures will be taken to achieve these ends?

#### Answer:

Some of these measures were already taken such as, the Investment Promotion Law and its recent amendments that liberalized investment measures and procedures, the privatization of many enterprises and the new legislation on companies, financial market, leasing, and establishing chambers of industry in different cities in Jordan.

#### **Question 7.**

How will such measures affect Jordan's obligations as a future member of the WTO?

## **Answer:**

All these measures taken so far to enhance economic growth are in line with WTO obligations.

## **Pricing policy**

## **Question 8.**

Retail price fixing has no place in an efficient market economy- distortions are created. In Jordan, price fixing remains for a number of commodities (see Memorandum Section II.2 (e.1), also JOR/8, questions 23 and 24.

Could Jordan advise if and when it intends to discontinue this distortive policy?

#### **Answer:**

The price fixing which remained for a number of commodities is to be eliminated. Over the past two years, the government gradually liberalized its policy in the retail price fixing by freeing the prices of many products and it will continue gradually implementing this method till it frees the retail price of the rest.

Find below the list of products which have been freed from pricing and left to the normal market conditions.

- car equipments
- car spare parts
- tyres
- Halawa (confectionery)
- canned meat
- mortadella
- pasta and spaghetti
- canned sardine
- canned tuna
- tea
- lentils
- copy books, note books
- diapers
- school uniforms
- paper tissues
- detergents
- eggs
- poultry products
- paper towels
- cheese
- frozen fish
- frozen meat
- vegetable ghee
- salt table
- fresh produce (vegetables & fruits)
- bakery products (excluding the Jordanian regular bread)

## Question 9.

We understand Jordan is considering phasing out price fixing/distribution margins for agricultural commodities?

# Answer:

The government is pursuing its policy of phasing out of price fixing for all products including agricultural products. In 1997, twenty six products were freed of which fifteen were agricultural commodities.

# Question 10.

(WT/ACC/JOR/8, Question 22) Jordan noted that it has "recently liberalized prices of fresh agricultural products and poultry products and most other products are in the process of liberalization". Could Jordan please provide, at the HS 6 digit level, a list of products still subject to price controls, as well as separate list of products that are in process of liberalization.

Could Jordan provide a date for the completion of the liberalization process, or has the process already been completed as indicated by Jordan's reply to Question 127 ("the Government abolished the fixing of the retail prices for agricultural products at the end of April 1997")?

The products that are still subject to price controls are:

- Wheat and wheat products 10.01

Barley 10.03

- Yogurt and labaneh 04.03.10, 04.03, 909

- Imported chilled meat 02.01, 02.04

- Fresh cow milk 04.01.

## Question 11.

In WT/ACC/JOR/8, question 22, Jordan states that it has recently liberalized prices for fresh agricultural products and poultry products and that most other products are in the process of liberalization. Could Jordan provide a more definite time frame for the liberalization of prices for these other products?

#### **Answer:**

No time frame is available yet.

## Question 12.

(WT/ACC/JOR/8, Question 25) Jordan was asked to provide details of any plans to eliminate the discriminatory pricing of bread based on the national source of the wheat from which the bread was made. The answer provided did not directly answer this question. Could Jordan confirm the existence of any such discriminatory prices and plans for its elimination.

#### Answer:

There is no discriminatory pricing of bread based on the source of the wheat from which the bread is made. The pricing is just for one kind of bread which is the regular Jordanian loaf of bread.

## Question 13.

(WT/ACC/JOR/9, Question 69) Jordan's reply to Question 69 noted that the Ministries of Agriculture, Supply and Industry and Trade study market conditions in order to set appropriate retail prices for 19 consumer goods. Could Jordan provide a list (at the 6 digit HS level) of the 19 consumer goods for which retail prices are set?

#### **Answer:**

The government in its liberalization process had eliminated the retail pricing of 15 out of 19 consumer goods mentioned in our memorandum WT/ACC/JOR/3 which are pasta, fresh poultry, eggs, cooked cheese, halawa, table salt, fruits and vegetables, lentils, fizzy drinks, barely, frozen meat, canned meat, canned sardines, tuna and tea.

In addition to that, prices of imported cigarettes have been liberalized also (for details see answer 74), and the intention is to remove the retail pricing of the rest.

## **Question 14.**

WT/ACC/JOR/9, Question 70) Jordan explained the role and functions of the Agricultural Marketing Organization (AMO).

What is the relationship between the AMO and the Ministries of Agriculture, Supply and Industry and Trade in the process of setting appropriate retail prices for 19 consumer goods.

Does the AMO provide the Ministries with information for price setting?

How separate is the AMO from the Government's process of price setting?

## **Answer:**

AMO has nothing to do with the process of setting appropriate retail prices and it does not provide any kind of information related to this matter.

## Question 15.

According to the responses to question 73 and question 82 of WT/ACC/9, the policy of the Government of Jordan is to phase out price fixing of imported meat, one brand of dried milk, sugar, rice, table salt, bread, fizzy drinks with re-usable bottles and cigarettes.

Are prices fixed at the same levels for domestically-produced meat, dried milk, sugar, rice, table salt, bread, fizzy drinks with re-usable bottles and cigarettes?

# Question 16.

Please provide a schedule showing the dates that the price controls will be phased out completely for each of these products prior to the next meeting of the Working Party.

#### Answers 15 and 16:

Prices of dried milk, sugar and rice are not fixed if they are imported by the private enterprises.

Prices of all kinds of bread and bakery products are not fixed except the Jordanian regular loaf of bread.

Prices of fizzy drinks with re-usable bottles have been liberalized since 1 July 1997.

Local cigarette prices are still fixed.

## Question 17.

(WT/ACC/JOR/9, question 73) Jordan explained that imported meat, one brand of dried milk, sugar, rice, table salt, bread, and fizzy drinks are subject to price fixing. See comment and questions related to WT/ACC/JOR/9, question 69.

See answer to question 13 above.

#### **Question 18.**

Jordan states retail prices of imported meat, one brand of dried milk, sugar, rice, table salt, bread and fizzy drinks with re-usable bottles are still fixed but the policy of the government is to phase out price fixing (response to question 73 of WT/ACC/JOR/9).

We note however, that the response to question 127 of WT/ACC/JOR/8 indicates that the government abolished the fixing of the retail prices for agricultural products at the end of April 1997. Can Jordan confirm this?

#### **Answer:**

The government abolished the price fixation policy of the retail prices for agricultural products from 21 April 1997.

## (b) Monetary and fiscal policies

## Question 19.

Jordan indicates that profits of agricultural income are exempted from income tax (response to question 80 of WT/ACC/JOR/9). Is this exemption provided to domestic sale profits as well, or is it contingent on export performance?

#### **Answer:**

The exemption is provided to domestic sale profits as well as those from export sales.

## **Question 20.**

Is this exemption extended to the agricultural sector only?

#### **Answer:**

The exemption of the whole income from income tax only applies to the agricultural sector. However, profits of export income of manufactured products to non-protocol countries are also exempt from income tax.

## (d) Foreign and domestic investment policies

## Question 21.

We would be interested in Jordan's response to questions 18 and 19 of WT/ACC/JOR/8 on tax incentives linked to investment and export processes, and sectors benefiting from unspecified measures to encourage banks to finance "needed investments" and the elimination of "anti-export and anti-manufacturing bias".

Tax incentives which are linked to investment are granted by virtue of the Investment Promotion Law No. 16 of 1995, to projects which fall in the following sectors and branches thereof: Industry, Agriculture, Hotels, Hospitals, Maritime, Transport and Railways, Recreational Resorts and Convention, Exhibition Centres or any other sector added by the Council of Ministers in accordance with the Kingdom's needs.

Those incentives include:

## 1. Customs and fees exemptions:

- fixed assets required by a project are exempted from taxes and fees;
- spare parts imported for the project are exempted from taxes and fees provided that their value does not exceed 15 per cent of the total value of the fixed assets utilising these spare parts;
- hotel and hospital projects are granted extra exemptions from taxes and fees on their purchases of furniture and supplies for the purpose of renewal once every seven years;
- any increase in the value of imported fixed assets is exempted from taxes and fees if the increase results from the rise in prices, freight charges or changes in exchange rates.

## 2. Tax Exemptions:

- 25 per cent if the project is in class "A" development area.
- 50 per cent if the project is in class "B" development area.
- 75 per cent if the project is in class "C" development area.
- 100 per cent in certain areas approved by the Cabinet.

If a project expansion, improvement or modernization results in an increase of a minimum of 25 per cent of the production capacity, it will be granted extra exemptions from income and social services tax for one additional year with a cap of four additional years.

Taxes are defined in the Investment Promotion Law No. 16 of 1995, to "be taxes that are imposed on fixed assets pursuant to the laws in force, with the exemption of municipal taxes", where as fees are defined to include " import charges, custom duties and other fees imposed on fixed assets pursuant to the Laws in force, with the exception of municipal fees".

As for incentives granted with respect to export processes the Higher Council for Investment has approved recently the establishment of Jordanian Export Companies specialised in exporting national products and goods. These companies which will be exempt from paying income tax were recommended for the Cabinet's endorsement and are still awaiting the decision.

Other measures relating to exportation are as follows:

- 1. Trade Protocols with other countries usually determine special provisions relating to exporting certain products and goods.
- 2. By virtue of the Law No. 7 of 1997 for the unification of taxes and fees, goods exported out of the Kingdom are exempted from obtaining an export licence except when exporting to countries that Jordan is committed to with certain bank arrangements namely Syria and Iraq.
- 3. By virtue of the Income Tax Law No. 57 of 1985 and its amendment, Article 3/C, profits earned from exportation in the Kingdom may upon the recommendation of the Minister of Finance and the Council of Ministers be exempted from income tax wholly or partially and in this regard certain decisions were taken by the Cabinet that exempt profits of exports to non-protocol countries, and with exception of exports of phosphates and potash, from income tax.

# (e) Competition policies

## Question 22.

What progress has there been on the new Competition Law, which was scheduled to be adopted in June 1997? Please provide the Working Party with a copy of the draft law in a WTO language.

#### Answer:

The Draft Competition Law was referred to the Parliament for their review and approval. Once we have an English translation of the law we will forward it to WTO Secretariat.

# III. FRAMEWORK FOR MAKING AND ENFORCING POLICIES AFFECTING FOREIGN TRADE IN GOODS AND TRADE IN SERVICES.

1. Powers of the Executive, Legislative and Judicial Branches of Government

## Question 23.

According to the response to question 26 of WT/ACC/JOR/8, "unless the law designates a different court, civil courts have jurisdiction in all civil matters including trade".

Please describe instances in which laws provide that civil courts do not have jurisdiction over matters involving trade.

#### **Answer:**

If a court case involves an administrative decision relating to trade that is being contested by a person or an enterprise, then the whole issue is referred to the Higher Court of Justice which is specialised in administrative jurisdiction.

#### IV. POLICIES AFFECTING TRADE IN GOODS

- 1. Import Regulation
- (a) Registration requirements for engaging in importing

## Question 24.

According to WT/ACC/JOR/3, any business enterprise registered in Jordan can engage in importing, provided that it is in possession of an importing card.

Please describe the requirements that must be satisfied to register a business enterprise in Jordan and fees that must be paid, listing in detail the criteria that must be met. Please describe any restrictions or conditions on the ability of foreign enterprises to register in Jordan?

#### **Answer:**

The requirements for the registration of a business enterprise in Jordan depends on the type of the business to be registered.

- (a) General Partnership and limited Partnership Companies: the following is required and must be submitted to the Controller of Companies at the Ministry of Industry and Trade;
  - (i) an application for registration;
  - (ii) original partnership agreement signed by all members with a statement by each of them signed before the Controller or person authorised by him in writing. This statement may be signed before the Notary Public or a licensed lawyer;
  - (iii) the Controller shall issue his approval within fifteen days from the date of the submission of the registration application, and a registration certificate is issued:
  - (iv) the fees paid are as follows:
    - JD 10 as registration fee once the application has been approved;
    - 0.003 of the capital of the company as revenue stamps;
    - JD 10 for publication of the decision of registration in the Official Gazette:

## (b) Limited Liability Companies

The following must be submitted to the Controller of Companies in the Ministry of Industry and Trade:

- (i) an application for registration;
- (ii) the Company's Memorandum and Articles of Association on the approved forms for this purpose, and shall be signed before the Controller, before any person delegated in writing by the Controller, before a Notary Public or before a licensed lawyer;

(iii) once the Controller approves the registration, he issues a certificate of registration. The fees are: 0.002 of the company's capital as registration fee,revenue stamps equal to 0.003 of the company's capital plus 15 Jordan dinars fees for publishing the registration in the Official Gazette.

## (c) Public Shareholding Companies

- (i) the promoters of the public shareholding company submit an application to the Controller on the form designated for such a purpose and accompanied by the following;
- the Company's Articles of Association;
- the Memorandum of Association;
- names of promoters of the company;
- names of the promoters' commitment which shall conduct the formation procedures;
- (ii) each promoter shall sign the Articles of Association and Memorandum of Association of the public shareholding company before the Controller or any one delegated by him in writing or before the Notary Public or licensed lawyer.
- (iii) fees to be paid are 0.003 of the company's capital as registration fee plus 0.003 as stamps. JD 75 -100 for publication of the company's registration in the Official Gazette.

Foreign investors have to register their companies in Jordan as Jordanian companies in the Companies' Registrar in the Ministry of Industry and Trade. There are limitations in ownership of a number of companies in the fields of construction, trade and trading and trade services, and mining. Where foreign ownership is limited to 50 per cent as stipulated by the Investment Regulation No. 39 for 1997 issued in accordance with Article 24 of the Investment Promotion Law No. 16 in 1996.

A foreign company that is having a branch in Jordan must submit to the Controller of Companies a copy of Articles of Association and Memorandum of Association as well as written official documents that certify that the company has obtained approval of the concerned authority in Jordan for operating in Jordan.

- a list of the names of the members of the Board of Directors and their nationality and the names of the persons authorised to sign on behalf of the company;
- the application of registration must be signed by the person authorised to register the company before the Controller or person authorised by him in writing or the Notary Public;
- once the registration is approved, then the registration procedures are completed by registering the company in the Foreign Companies Registrar, and then published in the Official Gazette. The fees are JD 1000 for a company with a capital less than JD 1,000,000 and JD 2000 for a company with a capital JD 1,000,000 or more.

## Question 25.

Please describe the procedures that must be followed in order to obtain an importing card. Please describe any restrictions or conditions on the ability of foreign enterprises to obtain an importing card.

#### **Answer:**

To obtain an importing card the following should be done:

- (a) the applicant must be registered in the Importers Registration at the Ministry of Industry and Trade. This requires the following:
  - (i) file an application for registration in the Importers Registration which should include the main information about the company or the enterprise such as the name, address, capital and trade name of the company or the enterprise;
  - (ii) the application should be accompanied by a valid profession licence belonging to the category importer.
    - This special category pay certain fees specified in the profession licences Law and the professions licences Law of Greater Amman Municipality.
  - (iii) the application should also be accompanied by the registration certificate of the company or the merchant in case of an individual enterprise and the capital should not be less than JD 5,000;
- (b) once this is done a fee of JD 2 is paid and the importers card is issued for one year ending on 28 February of each year. It can be renewed for another year if the professional licence is renewed.

Foreign enterprises can import without needing an import card when imports are subject to prior approval. Also, Regional Offices need a recommendation from the Minister. Foreign enterprises that are licensed to import and registered in Jordan for that purpose can import under the same terms—like Jordanian enterprises since it is registered in Jordan as a Jordanian company.

#### (b) Characteristics of national tariff

## Question 26.

Does Jordan use the HS 96 nomenclature in its tariff schedule If not, what nomenclature is being used in the schedule that is available in diskette form in the Secretariat (WT/ACC/JOR/8/Add.1)? When does Jordan intend to incorporate the HS 96 tariff nomenclature?

# **Answer:**

Jordan started using the HS nomenclature as of 1/1/1994. The HS 96 nomenclature has been in use since 1 March 1997.

## Question 27.

Please provide a translated copy of the draft Customs Law to the WTO Secretariat prior to the next meeting of the Working Party. What needs to be done to complete the legislative process for the draft Customs Law? When does the Government of Jordan expect the Customs Law to be enacted? When will the Customs Law be implemented?

#### **Answer:**

We cannot provide at this stage a translated copy of the draft Customs Law. The draft Customs Law is still under discussion in Parliament.

#### **Question 28.**

According to the response to question 37 of WT/ACC/JOR/8, Jordan acknowledged that it could provide a list of average rate of import duty by HS chapter. Please provide this list prior to the next meeting of the Working Party.

#### Answer:

The average rate of import duty by HS Chapter were supplied to the Secretariat.

## Question 29.

We note that Jordan now has six tariff bands (0, 5, 10, 20, 30 and 40 per cent). Will Jordan's maximum tariff rate be set at 30 per cent from 1998 when the new Customs Law comes into effect?

#### Answer:

Jordan's maximum tariff rate is expected to be set at 30 per cent before the end of 1998, except for two products namely:

- manufactured tobacco and substitutes tobacco the tariff rate will be set from 70 per cent to 100 per cent;
- alcoholic drinks the tariff rate will be set at 180 per cent.

# Question 30.

Questions 5 and 7, WT/ACC/JOR/9. Please provide specific answers to these questions, listing (a) agricultural duties for which Jordan maintains specific or combined duty rates and (b) all items qualifying for tariff exemptions (at HS 6 digit level), and the criteria for granting such exemptions.

#### **Answer:**

Jordan maintains combined duty rates on the following agricultural products:

bananas: 30 per cent of the value + JD 250.0 per ton.

- grapes : 30 per cent of the value + JD 250.0 per ton.

- calves: 5 per cent of the value + JD 10.0 per head.

- sheep and goats: 5 per cent of the value + JD 2.0 per head.

Items qualifying for tariff exemptions (at HS 6 digit level) can be found in the customs tariff submitted to WTO Secretariat in electronic form. The criteria for granting such exemption is based on the following:

- basic production inputs;
- basic food products;
- necessary health and medical goods;
- capital goods and equipment for agriculture and industry.

## Question 31.

Does Jordan have any specific or mixed tariffs?

#### **Answer:**

Yes, Jordan have mixed tariffs on the following agricultural products.

According to national tariff

-	bananas	30 per cent of the value +	JD 250/per ton.
-	grapes	30 per cent of the value +	JD 250/per ton.
-	apples	30 per cent of the value +	JD 250/per ton.

According to the unification of taxes and fees law

-	sheep and goats	5 per cent of the value	+	JD 2 per head.
-	calves	5 per cent of the value	+	JD 10 per head.

#### **Question 32.**

Does Jordan have any plans to introduce specific or mixed tariffs, if there are none at present?

#### **Answer:**

No.

## **Question 33.**

If Jordan has any specific or mixed tariffs, does Jordan have any plans to increase its specific tariffs or the specific components of its mixed tariffs?

No.

## Question 34.

Question 6, WT/ACC/JOR/9. Please provide further information on the proportion of duty-free imports under bilateral trade agreements, and on whether barter or counter-trade is specified in any bilateral trade agreements.

#### **Answer:**

Barter and counter trade are not part of the bilateral trade agreements. In the past it was with Sudan, but it has finished and was not renewed since.

# (c) Tariff quotas, tariff exemptions

## **Question 35.**

Section IV.1(c) of the memorandum states that imports by government institutions enjoy tariff exemptions. In WT/ACC/JOR/8, question 41, Jordan was asked if such imports were solely for the consumption of the respective government entities? Could Jordan answer this element of question 41?

#### **Answer:**

The imported goods for Government institutions which are mentioned in JOR/8 Q.41 and enjoying tariff exemptions are restricted to those institutions and necessary for production in their projects.

## **Question 36.**

Could Jordan state whether there are cases where the duty free imports are used as inputs for further processing by government-owned and operated production or service facilities and eventual resale or use in the market?

#### **Answer:**

The imported goods that enjoy tariff exemptions are capital goods (equipments and machines), and there are no cases where the duty free imports are used as inputs for further processing by government-owned and operated production or service facilities and eventual resale or use in the market.

## Question 37.

Does Jordan intend to continue this type of exemptions?

## **Answer:**

Exemptions are to be eliminated gradually.

## Question 38.

Please identify all charitable organizations that have received Cabinet approval for free duty imports. What criteria is considered by the Cabinet in making its determination to approve duty-free import status for charitable organizations? Please describe the eligibility requirements for charitable organizations seeking to obtain Cabinet approval for duty-free import status. What restrictions exist on the resale of goods imported duty-free by these institutions?

## Question 39.

According to the reply to Question 8, WT/ACC/JOR/9, Jordan states that the imports of foreign charitable organizations are usually subject to the provisions of an agreement with the Ministry of Social Development. Please provide details of such provisions. Please describe the extent to which they allow for duty-free imports from third countries.

#### Answers 12 and 13:

Imports of charitable organizations that enjoy customs duty exemptions are:

- (a) hearse cars are 95 per cent exempt from customs duties;
- (b) the following are duty free imports:
  - (i) medical equipment and medications are 100 per cent exempt subject to approval of Minister of Health and Minister of Finance / Customs.
  - (ii) equipment and apparatus that are used as fixed fixtures and education apparatus for use by schools and institutions run by charitable organizations.
    - This exemption is subject to recommendations by the Minister of Social Development and approval of Minister of Finance/Customs, on condition that there is evidence to support that such equipment and apparatus are either a donation or grant.
  - (iii) clothes, food, furnishings (carpets and curtains) that are received as donations or grants to orphanages, old people homes and hospitals upon direction from the Minister of Social Development and approval of the Minister of Finance/Customs on condition that evidence is provided to support that such imports are donations or grants.
  - (iv) building materials that come as donations or grants for building mosques, churches or schools that belong to religious or charitable organization accredited by the Ministry of Social Development, and for their own use subject to direction from the Ministry of Public Works and approval of Minister of Finance/Customs. Evidence should be submitted to prove that such materials are donations or grants.

(c) imports of educational and medical materials and any other apparatus, equipment, machines and their spare parts as well as transport vehicles for handicapped schools, institutions and programmes for handicapped persons are fully exempted from customs duties. Transport vehicles specially designed for use by handicapped persons are also fully exempted from customs duties.

Such exemption is subject to direction from the Ministry of Social Development according to conditions agreed upon between the Ministry and the Customs Department.

## **Question 40.**

Please describe the procedures applicable to charitable organizations for obtaining an import licence from the Ministry of Industry and Trade in the form of a response to the Questionnaire on Import Licensing Procedures.

#### **Answer:**

Charitable organizations get an import licence for importing goods for their charitable activities after obtaining recommendation from the Ministry of Social Development to certify that the goods to be imported are for charitable purposes. In that case the goods are exempted from customs duties and fees in accordance with a decision by Council of Ministers.

The procedures for achieving the above are as follows:

- (i) file an application by the charitable organization to obtain the recommendation for exemption of duties;
- (ii) file an application to the Ministry of Industry and Trade for an import licence. The recommendation for exemption from duties from the Ministry of Social Development should be attached to the application form;
- (iii) get prior approval from the department concerned if the imported products require such approval;
- (iv) the issuance of the import licence takes about half an hour from the time the application is submitted to the Ministry of Industry and Trade.

These charitable organizations are registered in a special registry at the Ministry of Industry and Trade.

Once the goods are imported and they are eligible for exemption according to the recommendation from the Ministry of Social Development then the goods are cleared without payment of duties.

## Question 41.

According to the response to question 39 of WT/ACC/JOR/8, about 60 per cent of the total value of imports in 1996 was received pursuant to duty exemptions.

Please provide the percentage share over a recent representative period of the major components of the 60 per cent of the value of imports received pursuant to duty exemptions, i.e., the percentages of the duty exempt imports that are received as "protocol trade," imports by governmental institutions, charitable imports, imports under the Investment Promotion Law.

# Percentage distribution of duty exempt imports according to beneficiary

Beneficiary	1997 January-July	1996
By Tariff Exemptions	40.2	53.2
Government Departments	21.3	22.2
Educational Institutions	0.5	0.2
Military & Security Forces	5.7	3.3
Public Agencies	0.5	0.5
Protocol Agreements	3.6	2.8
Charitable Organizations	0.1	0.3
Diplomatic Missions	0.4	0.4
Hospitals	0.5	0.1
Public Share Holding Cos.	23.1	12.4
Investment Promotion	3.4	4.0
International Organizations	0.4	0.3
Expatriates	0.3	0.4
Total:	100 per cent represent 50 per cent of imports	100 per cent represent 60 per cent of imports

#### **Question 42.**

According to the response to question 41 of WT/ACC/JOR/8, the procurement by eleven specified companies, of imports (other than cars and spare parts, tires, petroleum products and office equipment) is exempt from customs duties.

Does Jordan consider the customs duty exemptions for these companies to be in conformity with the WTO Agreement on Subsidies and Countervailing Measures? If yes, please explain why the Government of Jordan does not consider these exemptions to be prohibited subsidies.

#### **Answer:**

The Custom duty exemptions granted to the eleven companies are not prohibited subsidies because they are not contingent on export performance or upon use of domestic over imported goods as stipulated in Article 3 of the Agreement on subsidies and Countervailing Measures.

## **Question 43.**

(WT/ACC/JOR/8, Question 41) Jordan noted that the procurement of certain companies, such as the Vegetable Oil Factories Company, are exempted from customs duties upon special decision by the Council of Ministers.

Could Jordan provide, at the HS 6 digit level, which products of the Vegetable Oil Factories Company would be exempted from customs duties upon special decision by the Council of Ministers.

Could Jordan also indicate how the Council of Ministers determines whether a company such as the Vegetable Oil Factories Company should be exempted from customs duties? Is such exemption given irrespective of the origin of the product?

#### **Answer:**

This exemption is based on the fact that the Vegetable Oil Factories Company has had exclusive rights of producing vegetable oil which will end in the year 2000 and will not be renewed. Since then more factories producing vegetable oil were established in Jordan and do not enjoy such exemptions.

## **Question 44.**

Do the customs duty exemptions for wheat and flour apply to all countries on a most-favourednation basis?

#### **Answer:**

Customs duty exemptions for wheat and flour apply to all countries on MFN basis.

## Question 45.

Question 11, WT/ACC/JOR/9. Please confirm that educational institutions can import only "educational materials" duty free.

#### **Answer:**

See answer to question 18 of WT/ACC/JOR/9.

## (d) Other duties and charges

## Question 46.

Has the Jordanian Parliament already passed the law mentioned in the respective section of the Memorandum (WT/ACC/JOR/3) aiming at unifying all other fees and charges and bringing the Jordanian legislation in line with Article VIII of the GATT 1994?

#### **Answer:**

The Law was passed as of the beginning of March 1997.

#### **Question 47.**

In WT/ACC/JOR/8, question 42, Jordan lists a number of agricultural products which are exempt from customs duties and import fees under bilateral agreements with Arab countries, Israel and the Palestinian National Authority at certain times of the year. The exemption granted to Lebanon is one example provided.

Could Jordan indicate whether it intends to apply these exemptions on an MFN basis should they be admitted to the WTO?

#### **Answer:**

These exemptions are granted to these countries you refer to only according to the arrangements stipulated in the bilateral trade agreements between Jordan and its neighbours and do not apply to other countries on MFN basis.

## **Question 48.**

According to the response to question 43 of WT/ACC/JOR/8, Jordan imposes non-tariff advalorem charges for exchange permits, re-exported goods tax, and overtime wage fees for re-exported and imported goods. The fee assessed for certification of invoices and certificates of origin also increases for goods with a value in excess of JD 10,000.

Please outline how the Government of Jordan intends to alter the structure of these charges to bring them into conformity with the requirements of GATT Article VIII, which limits the amount of the fees to the approximate cost of services rendered?

#### **Answer:**

When Jordan prepares its schedules of tariff concessions it will consider how to bring them in conformity with Article VIII of GATT 1994.

## Question 49.

Do imported goods receive national treatment in the application of the general sales tax?

#### Answer:

Imported goods subject to General Sales Tax receive national treatment in the application of the tax with the following exceptions:

- (a) all products that appear in table No. 1 attached to the General Sales Tax Law are exempted with the exception of the following items:
  - used clothes and shoes;
  - used furniture;
  - blankets, rugs, wooden mattresses, quilts and towels;
  - yeast and bread embellishes (improves);
  - quick lime and neutral lime and sand-lime bricks;
  - stoves heaters and related accessories;
  - dried legumes, treated including, peas, chick peas, broad beans, blacked eyed beans, beans;
  - eggs;
  - sun-powered water heaters;
  - insulating materials for construction;
  - knitted fabrics:
  - ground spices, herbs and Zatar (kind of thyme);
  - agricultural and plastic irrigation equipment;
- (ii) products listed in table (2) attached to the General Sales Tax are subject to specific sales tax that differentiates between domestic and imported goods and as follows:

## Sales Tax

	Product	Unit	Domestic JD.	Imported JD.
1.	Beer, including non-alcoholic:  (a) In containers up to 35 cl (b) In contains from 35 cl to 2/3 litre (c) Other	container container one litre	0.175 0.245 0.420	0.285 0.385 0.585
2.	Alcohol: Pure	litre	0.325	0.330
3.	Wines with less than 25 per cent alcohol:  (a) Sparkling wine (b) Other	litre litre	0.500 0.500	1.155 0.891
4.	Liquors including wines with 25 per cent or more alcohol.  (a) Arak (b) Cognac (c) Other	litre litre litre	0.600 0.650 0.850	0.850 1.000 1.200
5.	Cigarettes for local consumption	pack	0.197-0.385	0.385

## Question 50.

Please describe the taxable base used in the application of non-tariff taxes, fees, charges and surcharges to imports, i.e., c.i.f., c.i.f. plus customs duty, etc.

#### **Answer:**

The taxable base used in the application of non-tariff taxes is the c.i.f. value.

## Question 51.

According to the response to question 46 of WT/ACC/JOR/8, the surcharge tax, municipalities fees, university fees, surcharge tax 1969 (as amended) and fees for veterinary and laboratory analysis, have been consolidated into the tariff rates.

Do the tariff rates included in the schedule provided to the WTO Secretariat (WT/ACC/JOR/8/Add.1) incorporate these fees?

#### **Answer:**

The schedule provided to WTO Secretariat include all the fees referred to in your question with the exception of veterinary and laboratory fees.

As for commitment on elimination of all duties and charges on imports other than ordinary customs duties or customs charges reflecting the costs of services rendered, please see answer to question 14.

## Question 52.

We refer to the reply to question 56(b) of WT/ACC/JOR/8. We welcome Jordan's advice that all fees other than customs duties have been consolidated and that this action will bring these fees in accordance with the requirements of Article VIII of GATT 1994.

We seek Jordan's confirmation that the previous ad valorem fees have been changed to flat rate ones reflecting the approximate costs of services rendered and advice of the rates of the fees to be charged.

#### **Answer:**

The following fees and other taxes were consolidated into customs duties:

- consolidated surcharge added fees and taxes;
- municipalities and Universities fees;
- surcharge tax for 1969;
- import fees.

Other charges and fees levied on imports are:

- 1. A fine equal to 5 per cent of the value of the imported product if imported by a person who does not hold an import card.
- 2. Fees levied on radios in accordance with by-law No.20 for 1966 of the Ministry of Post and Telecommunication as follow:
  - (i) 200 fils on each one wave transistor radio; (JD 1 is equal to 1000 fils)
  - (ii) 300 fils on each two wave transistor radio; (JD 1= US\$1.4)
  - (iii) 400 fils on each three wave transistor radio;
  - (iv) 500 fils on each transistor radio with electric transformer;
  - (v) JD 2 dinars on each radio operated by electricity.
- 3. Over time fee equal to 0.002 of the c.i.f. value of the imported good that exceeds JD 50, and 0.001 on goods in transit. This fee is for services rendered by Customs Department employees during official working hours and, performing difficult and risky tasks.
- 4. Fees for viewing of video films according to Law No. 52 of 1951.
  - (i) JD 10 for a tape that takes more than 30 minutes to view and does not contain any news;
  - (ii) JD 3 for a non-news tape that takes less than 30 minutes to view.
- 5. Veterinary fees equalling 70 fils per head, and sheep census equalling 800 fils per head of camels, buffalo, cows and pigs, and 200 fils per head of goats and sheep.

They are levied in accordance with by-law No. 17 for 1987 issued in accordance with the Agriculture Law No.20 for 1973 and their amendments. These fees are for veterinary treatment and cost of census.

- 6. A fee of 86.5 fils on each imported packet of 20 cigarettes in accordance with the decision of the Economic Security Commission No. 16 dated 20 September 1984. The revenue is earmarked for support of some agricultural products.
- 7. Consular fees for certifying commercial bills if not paid at the time of certifying from the consular authority in the exporting country. It is in accordance with by-Law No. 1 for 1989 based on Article 2 of consular fees Law No. 36 for 1947.

The fees on each bill are as follows:

- (i) JD 2 on each bill less than JD 100
  - JD 5 from JD 100 to < JD 1,000
  - JD 15 from JD 1,000 to < JD 5,000
  - JD 25 from JD 5,000 to < JD 10,000
  - JD 30 from JD 10,000 to < JD 25,000
  - JD 40 from JD 25,00 to < JD 50,000
  - JD 50 from JD 50,000 to <JD 100,000
  - JD 2 on every JD 10,000 or any fraction of it above the value of JD 100,000
- (ii) JD 2 for certifying each certificate of origin.

## Question 53.

Please confirm that legislation has been passed incorporating fees, charges etc. in the customs duty. Please provide the Working Party with a copy of the draft or new law in a WTO language as soon as it becomes available. What fees and charges levied on or in connection with importing remain e.g. fee for issuing import card, fee paid by individual importers, fee for exchange permit, fee for certificate of origin, fee for prior approvals?

## **Answer:**

The law that incorporates fees, charges into customs duty was passed and became effective on 1 March 1997.

Other fees and taxes still levied are:

- 1. A fine equal to 5 per cent of the value of the imported product if imported by a person who has no import card;
- 2. fees levied on radios as follows and in accordance with by-law No.30 for the year 1966. (Ministry of Post and Communication);
  - (a) 200 fils on each one transistor radio; (JD 1 is equal to 1000 fils)
  - (b) 300 fils on each two wave transistor radio;
  - (c) 400 fils on each three wave transistor radio;

- (d) 500 fils on each transistor radio with electric transformer;
- (e) JD 2 on each radio operated by electricity.
- 3. Over time fee equal to 0.002 of the c.i.f. value of the imported good that exceeds JD 50.0 and 0.001 on goods in transit. This fee is for services rendered by Customs Department employees during official working hours and, performing difficult and risky tasks.
- 4. Fees for viewing video films according to Law No. 52 of 1951;
  - (a) JD 10 for a tape that takes more than 30 minutes to view and does not contain any news;
  - (b) JD 3 for a non-news tape that takes less than 30 minutes to view.
- 5. Veterinary fees equalling 70 fils per head, and sheep census equalling 800 fils per head of camels, buffalo, cows and pigs and 200 fils per head of goats and sheep.

They are levied in accordance with by-regulation No. 17 for 1987 issued in accordance with the Agriculture Law No. 20/73 and their amendments. These fees are for veterinary treatment and cost of census.

- 6. A fee of 86.5 fils on each imported packet of 20 cigarettes.
- 7. Consular fees for certifying commercial bills if not paid at the time of certifying from the consular authority in the exporting country.

The fees on each bill is a follows:

- (a) JD 2 on each bill less than JD 1000
  - JD 5 from JD 100 to < JD 1,000
  - JD 15 from JD 1000 to < JD 5,000
  - JD 25 from JD 5000 to < JD 10,000
  - JD 30 from JD 10,000 to < JD 25,000
  - JD 40 from JD 25,000 to < JD 50,000
  - JD 50 from JD 50,000 to < JD 100,000
  - JD 2 on every JD 10,000 or any fraction of it above the value of JD 100,000
- (b) JD 2 for certifying each certificate of origin.

## Question 54.

Question 13, WT/ACC/JOR/9. Please confirm that Jordan's proposed accession offer will incorporate these elements and that no extra duties and charges will be liable to products in the sense of Articles II:1 (b) or Article VIII of GATT 1994.

#### **Answer:**

Once Jordan's accession is finalised such duties will be incorporated in accordance with Article II:1 (b).

## Question 55.

We refer to the customs fees and charges listed in Jordan's reply to question 43 (b) of WT/ACC/JOR/8. What service is rendered for traded scrap iron excluding galvanised iron that would justify a customs fee or charge of JD 25 per ton?

#### Answer:

According to the instruction No. 1 of 1995 issued in accordance with Article 20 of the Import-Export by Law No. 74 of 1993, the customs authorities will collect export-fees on scrap iron of JD 25/per ton. The service rendered is a mining fee and the exporter of goods should prove that the incurred fees are paid to the Natural Resources Authority prior to exporting the goods.

#### **Question 56.**

What service is rendered for re-exported goods that would justify a customs fee of one per cent of c.i.f. Value? Why is this fee levied in ad valorem terms rather than in specific terms? How does the service that has been rendered depend on the c.i.f. value of the consignment?

#### Answer:

The service rendered for re-exported goods that would justify a custom fee are:

- one per cent as examination fee of c.i.f. value;
- one per cent as additional fee of c.i.f. value.

Both fees were cancelled in accordance with Law No. 7 of 1997 for consolidation fees and taxes. Now there is a valuation fee on re-exported foreign goods of consolidating fees and taxes equal to 2 per cent of the value of good, with the following items and institutions exempted from these fees:

- exports by diplomatic missions and their employees;
- personal belongings;
- articles exempted from customs duties under tariff;
- re-exported foreign goods prior to leaving stores and warehouses;
- used household furniture;
- equipment and machinery imported on temporary basis for the purpose of executing projects;
- any commodities which the Council of Ministers decides to exempt upon recommendation from the Minister of Finance. The justification for this fee is for revenue purposes.

## Question 57.

What service is rendered for re-exported goods that would justify imposing a one per cent additional tax? If a service is rendered, why is the tax levied in *ad valorem* terms rather than in specific terms? How does the service that has been rendered depend on the c.i.f. value of the consignment?

## **Answer:**

See answer to question 56 above.

## Question 58.

Does Jordan levy this one per cent additional tax on goods other than re-exported goods? Which goods are affected? Do the affected goods include imported goods which are not re-exported and domestically produced goods?

#### **Answer:**

See answer to question 56 above.

## Question 59.

We seek confirmation that there are no other duties and charges (ODCs) of a GATT Article II type.

## **Answer:**

The duties and other charges which are imposed on the imports other than the custom tariff is answered in question 51 above. Most of those fees and charges are imposed for service rendered to the importer. If there is any charges or fees that do not comply with the requirement of Article II of GATT it will be consolidated with Article II.1(b) and VIII when Jordan makes its market access offer.

# (e) Quantitative import restrictions

## **Question 60.**

Please provide translated copies of the Import/Export Law No. 14 of 1992 and the by-law No. 74 of 1993, the Instructions No. 1 of 1995 and any other relevant laws or regulations amending these provisions to the WTO Secretariat prior to the next meeting of the Working Party.

## **Answer:**

Once the laws are translated they will be provided to the WTO Secretariat.

## Question 61.

Question 48, WT/ACC/JOR/8. Please provide the Working Party with a copy of the Import/Export law in a WTO language.

#### **Answer:**

No copy of the Law is available in English.

## Question 62.

In the reply to Question 1, WT/ACC/JOR/8, Jordan states that "currently the only form of protection is the tariff: import quotas, bans and licensing requirements have been eliminated". Please could Jordan confirm that some bans are in place (reply to question 53, WT/ACC/JOR/8, and licensing requirements remain for products imported in accordance with bilateral trade protocols and agreements, and for products requiring prior approvals (reply to question 20, WT/ACC/JOR/9)?

The bans in place were outlined in answer to question 49 of WT/ACC/JOR/8.

## Question 63.

Please identify all products, including HS number, the import and export of which is restricted to certain agencies. For each such product, please provide the reason that importation and exportation is restricted to certain agencies.

## **Answer:**

Products whose import and export is restricted to certain enterprise appear in the following table:

Product	Enterprise	HS No.	Reason for restriction
Natural raw leather	Jordan Tanning Co.	41.01+ 41.02+ 41.03	The Law of the Company
Petroleum and derivatives, excluding mineral oils	Jordan Petroleum Refinery Company (JPRC)	27.09	The Law of the Company
Gas cylinders for house use	JPRC	73.11	The Law of the Company
Black cement	Jordan Cement Factories Co.	25.23	The Law of the Company
Ammonium Nitrate	Jordan Phosphates Mining Co. (JPHC)	28.34	The Law of the Company and because it is also used as input for explosives
Raw Phosphates	JPMC	25.10	The Law of the Company
Gun Powder salt and explosives	JPMC	36.01 36.02 36.03	The Law of the Company and for security reasons
Used automobile tires	Tires factories	40.12	for safety and ecological reasons

# Question 64.

Please provide a table showing each import ban, prior approval, etc.., the products affected (with HS number), GATT justification and, where applicable, the date for elimination.

#### **Answer:**

Please find below item that need prior approval and items which are banned.

# **Prior Approvals**

	Product	HS Code	Party Granting Approval
1.	Rice	10.06	Ministry of Supply (MS)
2.	Halibuna Powdered Milk	04.02	MS
3.	Wheat Flour	11.01	MS
4.	Sugar	17.01	MS
5.	Wheat	10.01	MS
6.	Barley	10.03	MS
7.	Corn	10.05	MS
8.	Milk for Industrial Use	04.02	MS
9.	Live Animals	Chapter 1	Ministry of Agriculture
10.	Frozen animal Semen	0511.10	Ministry of Agriculture
11.	Fresh Chilled and Frozen Meat	Chapter 2	Ministry of Agriculture
12.	Potato	07.01	Agricultural Marketing Organization
13.	Onion	0703.10	Agricultural Marketing Organization
14.	Garlic	0703.20	Agricultural Marketing Organization
15.	All Kinds of Arms & Ammunition	Chapter 93	Ministry of Interior, Public Security Dept. (PSD)
16.	All Kinds of Explosives	36.01 36.02 36.03 36.04	PSD
17.	Pen Knives and Similar Articles	82.11	PSD
18.	Children Automobile Toys Operated With Fuel	95.01	PSD
19.	Remote Control and Toy airplanes	9503.20	PSD
20.	Electrical and Electronic Video Games Machines	95.04	PSD
21.	Self-Defense Electrical Equipment	85.43	PSD
22.	Radio-Active Materials and Uranium	28.44	Ministry of Energy & Mineral Resources
23.	Wireless Transmitters and Receivers	85.25	Telecommunications Regulatory Commission (TRC)
24.	Wireless Alarm Equipment	85.31	TRC
25.	All Kinds of Remote-Control Equipment (except those for TV & Video	8543.209 8526.92	TRC
26.	Radar Apparatus	8526.91	TRC
27.	Transmission and Reception Stations	85.25	TRC
28.	Cellular Telephone Systems	85.25.201	TRC
29.	Cordless Telephones	85.17.11	TRC
30.	Cordless Microphones	8518.10	TRC
31.	Electrical Equipment for line Telephony & Telegraphy	85.17	TRC
32.	Decoders	8543.899	TRC

	Product	HS Code	Party Granting Approval
33.	Satellites	85.29 8529.101 8543.891	TRC
34.	Coloured Photocopying Machines	90.09	Central Bank of Jordan
35.	Medicaments, Antibiotics, Human Blood, Vaccines	29.41 30.02 30.03 30.04	Ministry of Health (MOH)
36.	Food Preparations Used by Athletes	2106.90	МОН
37.	Bromides of Potassium	2827.51	МОН
38.	Food Colourings	13.02	МОН
39.	Sheets and Pipes of Asbestos	68.11	МОН
40.	Milk and Foods for Children	04.02 2106.90	МОН
41.	Ice Cream and Other Edible Ice	21.05	МОН
42.	Postage Franking Machines	84.70	Ministry of Post and Communications
43.	Halogenated Derivatives of Hydrocarbons	2903.4 2903.46	Public Corporation for Protection of the Environment
44.	Boring Machinery for Water	8430.4	Ministry of Water & Irrigation
45.	Used Automobile Tires	40.12	Ministry of Industry & Trade
46.	Military Clothing	Chapters 61+62	General Command of the Armed Forces

## **Banned Imports**

Products	HS Code
Plastic Waste	39.15
Mineral Water	2201.10
Table Salt	25.01
Cars older than five year	87.03
Passenger cars using other than benzene as fuel	87.03

## Question 65.

According to the response to question 63 of WT/ACC/JOR/8, the Government of Jordan bans the importation of toy automobiles because special tracks on which to drive them are not readily available in Jordan.

Are domestically-produced toy automobiles also banned in Jordan? If not, how does Jordan intend to provide national treatment to toy automobile imports prior to WTO accession?

# **Answer:**

Jordan does not produce such toy automobiles.

# Question 66.

Why does the Government of Jordan ban the importation of mineral water? When does the Government of Jordan intend to eliminate the import prohibition on mineral water?

It is the Government intention to eliminate the import-ban on mineral water, but as it was explained in Jordan's memorandum and Jordan's response to question 49 of WT/ACC/JOR/8 and due to socio-economic impact of the removal of the ban, a gradual rehabilitation is needed to qualify its competency before lifting the ban.

## Question 67.

(WT/ACC/JOR/8, Question 120) Jordan stated that the Government is considering whether to lift a ban on the importation of mineral water and confirmed this during the Working Party. Can Jordan indicate when a decision whether or not to lift the ban will be taken?

#### **Answer:**

The decision on lifting the ban on the importation of mineral water has not been taken yet.

## **Question 68.**

We note that the government is considering lifting the import ban on mineral water (reply to question 120 of WT/ACC/JOR/8). Does Jordan have a timetable for the elimination of this restriction?

#### **Answer:**

See answer to question 68.

## **Question 69.**

Jordan's bans on imports of mineral water, table salt and used cars (replies to questions 49 and 120 of WT/ACC/JOR/8) are clearly inconsistent with Article XI:1 of the GATT 1994. Their retention for mineral water and table salt is also inconsistent with Jordan's statement that "the only instrument of protection is the tariff" (page 2 of WT/ACC/JOR/8). Issues such as safety and impact on the environment need to be addressed by measures such as standards and taxation applied in a manner consistent with the national treatment provisions of the WTO.

## When will these quantitative restrictions be removed?

## Answer:

Mineral water and table salt were banned from importation due to their social-economic impact. The Government is considering removing this quantitative restriction, the time table for elimination depends on the ability of the market to absorb the lifting up of this quantitative restriction.

As a step toward achieving this, the Government phased out the retail price of the table salt in June 1997 and left it to the market conditions to be decided.

## Question 70.

According to the response to question 49 of WT/ACC/JOR/8, there is a total ban on the import of table salt, because it is produced in areas which are least developed in Jordan and people have a high rate of unemployment.

This prohibition is not consistent with any of the exceptions provided for the non-application of GATT Article XI. How does the Government of Jordan intend to eliminate this import ban on table salt prior to WTO accession?

#### **Answer:**

As a gradual step towards achieving the elimination of the restriction on import of table-salt, the Government phased out the price fixation policy for the table salt in June 1997.

## **Question 71.**

According to the response to question 49 of WT/ACC/JOR/8, the Government of Jordan bans the importation of used cars, because the purchase of spare parts and tires is a drain on foreign reserves, some of these cars are more than ten years old and lack safety options found in new cars, and these cars are more harmful to the environment.

The Government of Jordan should be prepared at the next meeting of the Working Party to describe the steps it intends to take to eliminate or replace with alternative measures, this import ban prior to WTO accession.

#### **Answer:**

Though the reasons given might not satisfy certain articles of WTO agreements, Jordan does not think it is wise to import used cars when it is trying to replace the used cars it has for the same reasons.

## Question 72.

Please describe the procedures to obtain an exemption from customs duties for new cars by owners of old cars used for public transport, like taxis and service cars, in the form of a response to the Questionnaire on Import Licensing Procedures.

#### **Answer:**

Persons who wish to make use of the offer of changing their cars used for public transport had two options:

- (i) exchange their used car for a new one with a motor capacity not less than (1600 cm3). The used car must be five years old or more. Such an exchange requires the owner to surrender its old car to the state. In this case he is exempted from paying the customs tariff and the sales tax;
- (ii) keep the used car, and buy a new car with a motor capacity not less than (1600 cm3) and be exempted from customs tariffs. But he must pay the General Sales tax equal to 10 per cent and pay additional sales tax equal to 8-15 per cent depending on the motor capacity of the car. The old car must be cancelled from service and used as spare parts after cutting the chassis or re-exported to the free trade zone or abroad.

## Question 73.

Question 50, WT/ACC/JOR/8. Enforcement of quantitative restrictions: An import ban is a quantitative restriction in that quantity is set at zero. To be effective, an enforcement mechanism is necessary. What system of enforcement does Jordan employ?

#### Answer:

Import products that are banned are usually known to importers. However, if they are imported, the customs official will not allow their entry or clearance. The importer is given two options either to re-export them to the country of origin or to the Free Zones.

#### **Question 74.**

Question 51, WT/ACC/JOR/8. Are there safety restrictions for domestically-owned cars more than five years old sold on the Jordanian market?

#### Answer:

Cars registered in Jordan are subject to yearly licensing. Before being licensed, they are subjected to a thorough mechanical examination by the Traffic Department. If they are found not safe to drive they will not be licensed.

## **Question 75.**

(WT/ACC/JOR/8, Question 54) Jordan noted that "sugar, wheat, rice one brand of powdered milk, cigarettes need prior approval but there are no quantitative restrictions on their import". This replies appears to contradict questions 19 and 68 of WT/ACC/JOR/9 which indicate that the Government has recently allowed the private sector to import rice, sugar, and cigarettes. Could Jordan please confirm that the private sector is permitted to import rice, sugar, and cigarettes? Is there any limitation on the volume of imports? Are licences granted automatically?

We understand that Jordan has recently applied new laws on the importation of grains and oilseeds. Under the new laws, grains (which were previously imported by the Ministry of Supply and sold at subsidized prices) can now be imported directly by the private sector and sold at market prices. Furthermore, import licences which were mandatory for grains and oilseeds are no longer required. The only requirement which still remains is a phytosanitary certificate. We welcomes these developments and would appreciate responses to the following questions:

- (a) When were the new law passed?
- (b) Could Jordan please provide information about the mandatory phytosanitary certificate?
- (c) Do the new laws only pertain to the importation of grains and oil seeds, or do they remove import barriers for other products as well?

#### **Answer:**

Private sector is permitted to import rice, sugar, without any limitation on the volume of imports and the prior approvals are granted automatically. Concerning the cigarettes the cabinet in its decision of 29 June 1997 permitted the private sector to import cigarettes.

- (a) It was not a law, it was the cabinet decision to permit the importation of grains which were previously imported and sold by the Ministry of Supply.
- (b) The phytosanitary certificate is issued by the exporting country to ensure that the grains and oil seeds are free of any diseases.
- (c) Imports, from countries that have preferential trade agreements with Jordan and imports of dried milk for industry and used tires are still subject to import licensing.

## **Ouestion 76.**

Question 19, WT/ACC/JOR/9. Please clarify arrangements for the regulation and importation of cigarettes, by the Government and private sector.

#### **Answer:**

The Ministry of Supply stopped importing cigarettes in accordance with a decision by the Cabinet on 29 June 1997 that allowed the private sector to import cigarettes.

### **Question 77.**

(WT/ACC/JOR/9, Question 19 (b)) Jordan noted that the Government is considering whether to allow the private sector to import and distribute cigarettes yet states in question 19c that it has recently allowed the private sector to import cigarettes. Could Jordan confirm that the private sector can import cigarettes.

#### **Answer:**

Yes, the private sector can import cigarettes.

## **Question 78.**

(WT/ACC/JOR/9, Question 66) Jordan was asked to provide information about whether criteria for refusal exist for the automatic licensing system. The reply does not provide a clear response to this question and we would appreciate information in this regard. Please also note comments with respect to the import of cigarettes of question 19 b.

#### **Answer:**

This system is currently in force for all imported goods from all countries except the countries which have trade agreements or protocols with Jordan (i.e. Arab countries and Israel).

Concerning the imported cigarettes the private sector is allowed to import cigarettes after obtaining prior approval from the Ministry of Supply and import licence from Ministry of Industry and Trade, there is no quantitative restrictions on import of cigarettes.

## (f) Import Licensing Procedures

## **Question 79.**

According to the response to question 49 of WT/ACC/JOR/8, the importation of other products, like sugar, wheat rice, one brand of powdered milk and cigarettes need prior approval, but there are no quantitative restrictions on their import. Nevertheless, GATT Article XI.1 provides that "no prohibitions or restrictions other than duties, taxes or other charges, whether made effective through ... import licences or other measures ... shall be maintained on the importation of any product ..." The response to the Questionnaire contained in the annex to WT/ACC/JOR/3 does not identify the products covered by the licensing and does not provide sufficient detail for products not being imported from Arab countries.

Prior to the next meeting of the Working Party, please identify all products by HS tariff line number, for which quotas or import bans are applied, or whose importation requires prior approvals. Please provide GATT and WTO justification for the measure, where appropriate. In areas where no justification is possible, please explain how these restrictions will be eliminated prior to WTO accession.

#### **Answer:**

Please find below the items that need prior approval and those which are banned.

## Items Requiring Prior Approvals

	Product	HS Code	Party Granting Approval
1.	Rice	10.06	Ministry of Supply (MS)
2.	Halibuna Powdered Milk	04.02	MS
3.	Wheat Flour	11.01	MS
4.	Sugar	17.01	MS
5.	Wheat	10.01	MS
6.	Barley	10.03	MS
7.	Corn	10.05	MS
8.	Milk for Industrial Use	04.02	MS
9.	Live Animals	Chapter 1	Ministry of Agriculture
10.	Frozen animal Semen	0511.10	Ministry of Agriculture
11.	Fresh Chilled and Frozen Meat	Chapter 2	Ministry of Agriculture
12.	Potato	07.01	Agricultural Marketing Organization
13.	Onion	0703.10	Agricultural Marketing Organization
14.	Garlic	0703.20	Agricultural Marketing Organization
15.	All Kinds of Arms & Ammunition	Chapter 93	Ministry of Interior, Public Security Dept. (PSD)
16.	All Kinds of Explosives	36.01 36.02 36.03 36.04	PSD
19.	Pen Knives and Similar Articles	82.11	PSD
18.	Children Automobile Toys Operated With Fuel	95.01	PSD

	Product	HS Code	Party Granting Approval
19.	Remote Control and toy aeroplanes	9503.20	PSD
20.	Electrical and Electronic Video Games Machines	95.04	PSD
21.	Self-Defense Electrical Equipment	85.43	PSD
22.	Radio-Active Materials and Uranium	28.44	Ministry of Energy & Mineral Resources
23.	Wireless Transmitters and Receivers	85.25	Telecommunications Regulatory Commission (TRC)
24.	Wireless Alarm Equipment	85.31	TRC
25.	All Kinds of Remote-Control Equipment (except those for TV & Video	8543.209 8526.92	TRC
26.	Radar Apparatus	8526.91	TRC
27.	Transmission and Reception Stations	85.25	TRC
28.	Cellular Telephone Systems	85.25.201	TRC
29.	Cordless Telephones	85.17.11	TRC
30.	Cordless Microphones	8518.10	TRC
31.	Remote Control for Toy Airplanes for Children	9503.20	TRC
32.	Electrical Equipment for line telephony & telegraphy	85.17	TRC
33.	Decoders	8543.899	TRC
34.	Satellites	85.29 8529.101 8543.891	TRC
35.	Coloured photocopying machines	90.09	Central Bank of Jordan
36.	Medicaments, antibiotics, human blood, vaccines	29.41 30.02 30.03 30.04	Ministry of Health (MOH)
37.	Food preparations used by athletes	2106.90	МОН
38.	Bromides of Potassium	2827.51	МОН
39.	Food colourings	13.02	МОН
40.	Sheets and pipes of asbestos	68.11	МОН
41.	Milk and foods for children	04.02 2106.90	МОН
42.	Ice cream and other edible ice	21.05	МОН
43.	Postage franking machines	84.70	Ministry of Post and Communications
44.	Halogenated derivatives of hydrocarbons	2903.4 2903.46	Public Corporation for Protection of the Environment
45.	Boring machinery for water	8430.4	Ministry of Water & Irrigation
46.	Used automobile tires	40.12	Ministry of Industry & Trade
47.	Toy aeroplanes that work with use of a remote control	95.03	TRC
48.	Military clothing	Chapter 61+62	General Command of the Armed Forces

## **Banned Imports**

Products	HS Code
Plastic Waste	39.15
Mineral Water	2201.10
Table Salt	25.01
Cars older than five year	87.03
Passenger cars using other than benzene as fuel	87.03

## Question 80.

According to the reply to Question 20, WT/ACC/JOR/9, products imported in accordance with bilateral trade protocols and agreements and requiring prior approvals are still subject to import licensing. Please provide a list of the goods (with HS codes).

## **Answer:**

The following table shows the items that are given preferential treatment in the bilateral agreement between Jordan and PNA. (Palestinian Products imported to Jordan).

Product	H.S. Code
Sausages and similar products of meat, meat offal or blood food preparations based on these products	16.01
Food preparations not elsewhere specified or included (Halawa)	21.08
Insecticides	38.08
Printing ink	32.15
Base metal mountings, fitting and similar articles suitable for furniture, doors, staircase	83.02
Fruit juices and vegetables juices	20.09
Solar heating machinery	84.19
Floor coverings for cars (vulcanised rubber)	40.18
Women's slips, petty coats, briefs, panties, nightdresses pyjamas	Chapter 62,61
Executive cases	42.02
Foot wear, gaiters and the like	Chapter 64
Electrical apparatus for switching or protecting electrical	85.36
circuits, or for making connections to, or in electrical circuits	85.35
Machinery for the preparation of coffee	84.38
Table, kitchen or other household articles and part thereof of aluminum	78.15
Boards for electric control	85.37
Millstones, grindstones, grinding wheels without frameworks,	88.4
for grinding sharpening ,polishing, truing or cutting.	68.5
Man's, boy and babies clothing and underpants	Chapter 62.83
Wire, rods, tubes, plates electrodes and similar product	83.11
Weighing machinery	84.23
Hand saws, blades for saws of all kinds	82.02
Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen	20.05
Nuts fresh or dried, whether or not shelled or peeled	08.02

Product	H.S. Code
Dried vegetable	07.12
Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid	20.01
Ginger, saffron, turmeric, thyme, bay leaves	09.10
Soups	21.04
Prepared tunas	16.04
Smoked fish	3.05
Prepared salad	21.05
Screws	73.18
Statuettes and other ornamental ceramic articles	69.13
Ceramic tableware, kitchen ware other household articles	69.12
Sand stone merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shapes	2516.22
Natural honey	04.09
Jams	
Vinegar	22.09
Soap	34.01
Live sheep and goats	01.04
Edible offal of sheep	02.06
Knitted or crocheted fabrics	60.02
Wine of fresh grapes	22.04
Marble crude or roughly trimmed	2515.11
Printed books	49.01
Articles for fun fair	95.04
Glass ware of a kind used for table, kitchen, toilet	70.13
Smoking pipes	96.14
Unglazed ceramic, mosaic articles	69.07
Furnishing articles	63.04
Dolls	95.02
Saddler and harness for any animal	42.01
Articles of woods	44.21
Knives	82.11
Worked ivory	98.01
Wood marquetry and inlaid wood	44.20

The following table shows the items that are given preferential treatment by Jordan and Saudi Arabia in the bilateral agreement between the two countries.

# Full Exemption

Product	H.S. Code
Live chicks	01.05
	0207.21 0207.22 0207.23
Other yogurt	0403.90
Butter and other fats derived from milk	04.05

Product	H.S. Code
Cheese and curd	04.05
Birds' eggs for hatching	04.07
Natural honey	04.09
Other vegetable saps and extracts	1302.19
Lard stearin	15.03
Vegetable oil	15.07 - 15.15
Vegetable fats and oils and their fractions	15.1590 and 15.16 20
Other sugar confectionery	17.04.90
Food preparations of flour or malt extract for infant use	19.01
Homogenized vegetable	20.05.10
Homogenized preparation	20.07.10
Other prepared foods (chips)	19.05.90
Tomatoes prepared or preserved	20.02
Mushrooms and truffles	20.03
Other vegetable prepared	20.04
Other vegetables prepared or preserved not frozen	20.05
Fruit juices and vegetable juices	20.09
Prepared baking powders	21.02.30
Vinegar and substitutes	22.09
Preparation of a kind used in animal feeding	23.09
Sulphur of all kinds	25.03
Chalk	25.09
Natural calcium phosphates natural aluminum calcium Phosphates and phosphatic chalk	25.10
Marble crude or roughly trimmed	25.15.11
Marble merely cut	25.15.12
Gypsum	25.20
White cement, whether or not artificially coloured	25.23.21
Other alkali or alkaline - earth metals	28.05.19
Hydrogen chloride (hydrochloric acid)	28.06.10
Sulphuric acid	28.07
Ammonia	28.14
Sodium metasilicates	28.39.11
Other silicates	28.39.19
Ethylene	29.01.21
Styrene	29.02.50
Ethyl chloride	29.03
Vinyl chloride	29.03
Sulphonated nitraded or nitrosated derivatives of hydrocarbon	29.04
Methanol (methyl alcohol)	29.05.11
Propylene glycol	29.05.32
Phenol	29.07.11
Other halogenated	29.80
Acetone	29.14.11
Acetic acid	29.15.21
Esters of methacrylic acid	29.16.14
20010 01 monatory no acta	-/.10.11

Product	H.S. Code
Carboxylic acids with additional oxygen	29.18
Carboximide-function compounds	29.25
Hetrocyelic compounds	29.33
Other organo-inorganic compounds	29.31.00
Melamine	29.31.61
Other acyclic hydrocarbons	29.01.29
Human and veterinary medicines	30.3,30.4
Other wadding gauze, bandages and similar articles	30.05.90
Fertilizers	chapter 31
Paints and varnishes	32.08-32.12
Printing ink	32.15
Soap	34.01
Organic surface-active agents	34.02
Gelatin	35.03.00
Matches	36.05.00
Photographic paper	37.03
Insecticides, rodenticides, fungicides	38.08
Ethylene glycol	29.05.31
Phenolic resins	39.09.40
Polyacetals, other polyethers and expoxide resins	39.07-39.14
Other plates, sheets, film, foil and strips of plastics	39.21
Polyethylene having a specific gravity of less than 0.94	39.01.10
Polyethylene having a specific gravity of 0.94 or more	39.01.20
Polymers of styrene	39.03.11 and 39.03.19
Polymers of vinylacetate of other vinylesters	39.05
Polymers of vinyl chloride	39.04
Acrylic polymers	39.06
Petroleum resins	39.11
Synthetic rubber	40.02
Other basketwork, wickerwork	46.02.90
Cigarette paper in the form of booklet	48.13.10
Cartons, boxes, cases, bags and other packing contains of paper	48.19
School books	48.20
Man-made filaments	Chapter 51- Chapter 54
Woven fabrics of carded wool or of carded fine animal hair	51.11-51.12
Cotton sewing thread	52.04-52.07
Embroidery in the piece, in strips or in motifs	58.10
Twine, cordage, ropes and cables whether or not plaited or braided	56.07
Knitted or crocheted fabrics	Chapter 60
Articles of apparel and clothing accessories knitted or crocheted	Chapter 61
Curtains	63.02
Other furnishing articles	64.04
Other hats and headgear	65.05.90
Floor clothes-dish-cloths dusters and similar cleaning clothes	63.07.10
Outer soles and heels of rubber or plastics	64.06.20

Product	H.S. Code
Building stone	68.02
Articles of cement	68.10
Other refractory ceramic goods	69.03
Ceramic pipes	69.06
Float glass and surface ground or polished glass	70.05
Glass bottles jars	70.10
Glass fibres	70.19
Pig iron and spiegeleisen in pigs, blocks or other primary forms	72.01
Tubes, pipes and hollow profiles seamless of iron	73.04-73.06
Tube or pipe fitting of iron or steel	73.07
Other articles of iron steel	73.26.90
Reservoirs tanks, vats and similar containers for any material of iron or steel	73.09
Containers for compressed or liquefied gas of iron or steel	73.11
Screws	73.18
Springs and leaves for springs of iron or steel	73.20
Stoves	73.21
Table kitchen or other household or articles and parts	73.23
Sanitary ware and parts thereof of iron or steel	73.24
Other articles of iron steel	73.26
Copper bars, rods and profiles	74.07
Other aluminum cans	76.12.90
Table kitchen or other household and other parts of aluminum	76.15.10
Other articles of aluminum	76.16.99
Filing cabinets	83.04
Wire, rods used for soldering	83.11
Pumps for agriculture	84.13.81
Air conditioning machines	84.15
Solar heaters	84.19.19
Oil or petrol-filters for internal combustion engines	84.21.23
Intake air filters for internal combustion engines	84.21.31
Parts of mechanical appliances	84.24.90
Lifts and skip hoists	84.28.10
Poultry incubators and brooders	84-36-29-84.36.21
Crushing or grinding machines	84.74.20
Ballast for discharge lamps or tubes	85.04.10
Electric instantaneous or storage water heaters and immersion heaters	85.16.10
Electrical apparatus for switching or protecting electrical circuits or for making connections to or in electrical circuits	85.35 and 85.36
Insulated wire, cable	85.44
Electrical insulators for any materials	85.46
Baby carriages	87.15
Other vehicles	87.10.80
Electricity meters	90.28.30
Liquid meters	90.28.20
Seats	94.01
Other furniture and parts thereof	94.03

Product	H.S. Code
Mattresses	94.04.21 and 94.04.29
Worked ivory, bone, horn antlers, coral and other animal carving material	96.01
Brushes	96.03
Bicycles	87.12
Babies prams	95.01
Ball point pens	96.08.10

## 66 Per Cent Duty Exemption

Products	H.S. Code
Mineral waters	22.01
Undenatured ethyl alcohol	22.07
Undenatured ethyl alcohol of an alcoholic strength by volume of 80 per cent vol. or higher	22.07.10
Ethyl alcohol and other spirits denatured of any strength	22.07.20
Other undenatured ethyl alcohol of an alcoholic strength by volume less than 80 per cent vol.	22.08.90
Solid sodium hydroxide	28.15.11
In aqueous solution (soda lye or liquid soda)	28.15.12
Other hypochlorites	28.28.90
Perfumes and toilet waters	33.03-33.07
Polypropylene	39.02.10
Articles for conveyance or packing of goods of plastics	39.23-39.24
Suit-case, trunks, vanity-cases, executive cases, brief cases	42.02
Other articles of wood	44.21.90
Doors and their frames and threshold	44.18.20
Carpets and other textile floor coverings	Chapter 57
Footwear	64.01-64.05
Rock wool	68.06
Glass mirrors	70.09
Angles shapes and sections	73.01.20
Prefabricated building	94.06.00
Structures and parts of structures of iron or steel	73.08
Other structures of iron or steel	73.08.90
Nails	73.17
Radiators for central heating	73.22
Base metal mounting fittings and similar articles suitable for furniture, doors and windows	83.02
Refrigerators freezers	84.18
Dish washing machines	84.22
Weighing machinery (scales)	84.23
Drying machines	84.51
Primary cells and primary batteries	85.06
Electric accumulation including separators therefor	85.07
Aerials and aerial reflectors	85.29
Other apparatus	85.31.10

Products	H.S. Code
linings	87.08.31
Other mounted brake linings	87.08.39
Radiators	87.08.91
Silencers and exhaust pipes	87.08.92

The following table shows the items that are given preferential treatment by both countries in the bilateral agreement between Jordan and Israel.

# 100 Per Cent Tariff Duty Reduction

Product	H.S. Code			
Vegetable oil	511-1513			
Margarine	151710			
Fatty acids	1519			
Glycerin	1520			
Chocolate	180620			
Chocolate	180630			
Chocolate	180690 ex			
Mineral water	220110			
Animal feed exc.	2309ch23			
Animal feed	23091090 2309909			
Glass ore	2506			
Kaolin	2507			
Gypsum	2520			
Cement	2523			
Feldspar	252910			
Chlorine	2801			
Calcium carbonates	2836			
Pharmaceutical products	3002-3004			
Pharmaceutical products	3006			
Paints	3208			
Paints	3209			
Paints	3210			
Painters fillings	3214			
Inks	3215			
Glues	3501			
Diagnostic reagent	3822			
Alkide resins	390750 ex			
Roes, yarns of plastic	ex.90603916			
Yarns	5306-5308			
Textile fabrics	5309-5310			
Heater wicks	5908			
Belts	5910			
Footwear upper	640610			
Umbrellas	6601			

Product	H.S. Code		
Marble tiles and building stones	6802		
Rolls of bitumen and asphalt	6807		
Roofing tiles	690510		
Metal pipes	7304		
Copper pipes fittings	7412		
Kitchen and tableware	7615		
Furniture accessories and locks	8301-8302		
Pumps and compressors	8413-8414		
Bakery equipment	841720		
Chillers and cooling equipment	84186960		
Coffee grinding and roasting machines	8419 ex		
Car filters	8421 ex		
Agricultural ploughs	843210		
Bakery equipment	843810		
Moulds	8480		
Food mixers	850940		
Hair driers	851631		
Video cassette recorders	8521		
Audio video cassettes	852310		
T.V.	8528		
T.V. antennas and satellite dishes	8529		
Electric bells	853180		
Lenses	9001		
Lenses	9002		
Medical syringes	901831		
Children's toys	9501		
Children's toys	9502		
Children's's toys	9503		
Empty gelatin capsules	9602ex, 10590ex		
Ball point pens and pencils	960810		

# 50 Per Cent Tariff Duty Reduction

Product	H.S. Code		
Chewing gum	170410		
Sweets and confectionery	170490		
Halawa	7049010		
Dry yeast	2102000		
Alcoholic beverages	2208		
Animal feed	2309		
Tobacco and cigarettes	24-ch		
Fertilisers exc. ammonium fertiliser	31-ch		
Perfumes	3303		
Cosmetics	3307		
Detergents	3401-3402		
Glues	350520		

Product	H.S. Code		
Pesticides	3803		
Plastic pipes	3917		
Kitchen and tableware	3924		
Fibre glass (tanks) and swimming pools products	3925		
Rubber products	4014-4017		
Luggage and suitcases	420210		
Leather garments and products	4203		
Computer forms	ex 4811-4823		
Labels	4821		
Non wovens for industry	5603		
Die-cutters, grinding and polishing stones	6804		
Ceramic tiles	6908		
Sanitary ware	6910		
Lab.utensils	7017		
Fibre glass products	ex 2090,31907019		
Metal pipes	7306		
Metal pipes	7306		
Steel meshes	7314		
Gas heaters, cooker and ovens	7321		
Copper bars	7407		
Metal wire	7407		
Copper pipes fittings	7412		
Aluminum profiles	7604		
Steel safes	8303		
Air-conditioning equipments	8415		
Elevators	8428		
Washing and ironing machines	845130-40		
Electric accumulators	8507		
Brake pads	8708,4016		
Frames for spectacles	9003		
Furniture	9401		
Furniture	9402		
Furniture	9403		
Mattresses and fillings	940429		
Brushes and sweepers	9603		
Disposable gas lighters	9613110		

# 30 Per Cent Tariff Duty Reduction

Product	H.S. Code
Glues and binding materials	3506
Matches	3605
Ropes-yarns of plastic	3916
Thermo pipes	3917
School supplies of plastic	392610

Product	H.S. Code
Conveyor belts	4010
Articles of rubber	4016
Filter blocks of paper pulp	4812
Card board boxes	4819
School note books	4820
Yarns	5106-5110
Textiles (fabrics)	5111-5113
Yarns	5205-5207
Textiles (fabrics)	5208-5212
Yarns	5402-5407
Textiles (fabrics)	5408
Yarns	5509-5511
Textiles (fabrics)	5512-5516
Clothing	61,62 chaps.
Blankets	6301
Building blocks and bricks	6810
Glass sheets and glass sheets used for automobiles	7004-7005-7007
Steel bars for buildings	7214-7215-7217
Conveyor belts	ex 7314
Nails, bolts screws and locks	7317-73118-7320
Ladders (metal and aluminum)	7326-7616
Central heating and steam boilers	8402-8403
Chillers and cooling equipment	8418
Solar energy heaters	8419
Water filters	8421 ex
Taps, cocks, valves	8481
Electrical transformers	8504
Electric water heaters	8516 ex
Electrical switches and breakers, electrical sockets	8535-8536
Electrical cables and wires	8544
Mattress supports	9404203

# **Import cards**

## Question 81.

We would appreciate more information about Jordan's import card system. Is the possession of an import card mandatory in order to import into Jordan?

## **Answer:**

Possession of an import card is essential to any business to engage in importing. Persons or agencies who do not possess an import card can import but they have to pay a fine equal to 5 per cent of the value of the imported goods.

## Question 82.

Are there any grounds on which the issuing authority can refuse to issue an import card to a person, firm or institution who applies for an import card?

#### **Answer:**

Persons, firms or institutions who apply for an import-card can obtain it, if they produce the required documents:

- a certificate that the importer is a registered merchant with a capital not less than JD 5,000;
- a current profession licence issued by the municipalities.

## Question 83.

Is the Ministry of Industry and Trade the sole issuing authority for an import card?

#### **Answer:**

Yes, the import cards are issued from the Trade Directorate in the Ministry of Industry and Trade.

#### **Question 84.**

Can the Ministry of Industry and Trade refuse an application for an importation on the advice of any Jordanian entity (e.g. another agency of the Jordanian government)? On what grounds?

#### **Answer:**

No, the Ministry of Industry and Trade has no right to refuse any application for any importer on the advice of any Jordanian entity unless the imported goods need prior approvals from other departments and the importer could not provide such approval.

## Question 85.

What are the rights of an applicant who has been refused an import card? Are these the same for all applicants, regardless of their country of origin or economic sector?

#### **Answer:**

The only case that the Ministry of Industry and Trade can refuse an application for an importation is that a person cannot provide the required documents..

## Question 86.

Can an import card be cancelled? On what grounds?

The import card cannot be cancelled, except on the expiry of its validity on 28 February of each year. This card can be renewed annually after providing all the required documents. If the importer cannot provide the professions licence annually then the import card is automatically cancelled.

## Question 87.

What are the rights of an import card holder who has had their import card cancelled? Are those the same for all former import card holders, regardless of their country of origin or economic sector?

#### **Answer:**

See answer to question 85.

## **Question 88.**

In considering applications for import cards, does the issuing authority apply identical criteria to all persons, entities and institutions, regardless of nationality and economic sector?

## **Answer:**

There is no discrimination in issuing import cards. The issuing authority applies identical criteria to all persons, entities and institutions regardless of their nationality and economic sector.

## **Question 89.**

What is the period of validity for an import card? Is this period of time the same for all import cards that are issued? Or are all import cards of permanent validity?

### **Answer:**

See answer to question 85.

## Question 90.

What is the maximum period of time that it takes to issue an import card to an applicant after the application is lodged with the issuing authority?

## **Answer:**

The maximum period of time to issue an import card is 30 minutes if the person provides the required documents.

## **Ouestion 91.**

What information is an applicant required to provide with an application for an import card?

The information required to provide with an application form are:

- name of importer;
- trade name;
- importer address including telephone number;
- capital in JD.

The following documents should be attached to the application form

- registration certificate of the company or the individual;
- registration certificate of the trade name if the importer has such name, and valid professions certificate issued by the municipality.

## **Question 92.**

What fees and charges is an import card applicant liable for? When are these paid?

#### **Answer:**

The fee to obtain an import card is equal to JD 2, it should be paid before issuing the import card.

## Question 93.

According to the response to question 56 of WT/ACC/JOR/8, there is a fee of 5 per cent of the value of the imported good and an additional fee of 5 per cent of the value of the imported good is levied on persons or agencies that import goods without holding an import card to prove they are registered in the importers registrar in the Ministry of Industry and Trade. However, these fees have been consolidated into the customs duty schedule.

Have these fees already been incorporated into the customs duty schedule that was provided in electronic form to the WTO Secretariat (WT/ACC/JOR/8/Add.1)?

#### **Answer:**

Yes, these fees have been incorporated into the Customs Duty Schedule provided to WTO.

## Question 94.

Does an import card specify any particular restriction on the type, the place of origin, the economic sector of destination in Jordan, the physical quantity, the price, the total value, or the allowable number of consignments within a certain period, of foreign goods?

An import card does not specify any particular restriction on the type, the place of origin, the economic sector of destination in Jordan, the physical quantity, the price, the total value or other restrictions.

The import card is issued for:

- administrative purposes by giving the importer special number and special file in order to facilitate the clearance stages of the imported goods by presenting to the customs authorities the import card instead of an import licence;
- in case the importer cannot present the import card, the customs authority levies 5 per cent fine as additional fee of the value of the good.

#### **Prior Approval**

## **Question 95.**

Prior approvals/import licensing. Discussion on these aspects in particular the distinction between the two - is confusion. In some descriptions they are different; in WT/ACC/JOR/8, question 66, they are one and the same (Prior approvals are considered import licences in themselves).

Could Jordan explain the difference, if any, between import licensing and prior approval?

#### **Answer:**

The prior approvals are issued under specific conditions from certain government institutions according to prior approval lists, and they are considered import licences in themselves in the sense that there is no need to obtain an import licence for a product if a prior approval for that product has been granted.

However, if the goods are imported from countries that have trade agreements or protocols with Jordan, the imported goods need to have an import licence and or prior approval.

## Question 96.

## What is the relationship between prior approvals and import licensing?

#### Answer:

There is no relationship between prior approvals and import licence except that the prior approvals considered as an import licence if the goods are imported from the countries which have no preferential trade agreement or trade protocols with Jordan.

The prior approvals are issued under specific conditions from certain government institutions that are determined by prior approval lists without need to issue an import licence.

If the goods are imported from countries which Jordan have trade agreement or protocols with, then, the imported goods need to have an import licence and prior approvals.

Issuing an import licence is subject to:

- the goods are imported from countries which have trade agreements and protocols with Jordan, provided that those goods originate in those countries;
- the goods that imported are in the name of the following agencies:
  - banks
  - companies under establishment
  - hotels
  - private universities.

## **Question 97.**

Jordan indicates in its reply to question 77 of WT/ACC/JOR/9 that it intends to abolish all prior approvals. Does Jordan have a timetable for the elimination of this system?

#### **Answer:**

Jordan does not have a time table for the elimination of this system. The government has the full intention to eliminate them gradually.

## **Ouestion 98.**

Jordan indicates that the prior approvals for imports of fruits and vegetables do not apply for imports from all countries and that the system will be phased out with the phasing out of protocol trade between Jordan and some Arab countries and Israel (reply to question 67 of WT/ACC/JOR/9).

Can Jordan confirm that it will be eliminating this system from all agricultural products requiring prior approval (rice, powdered milk-halibuna brand, wheat, flour, sugar, frozen lamb, barley, corn, milk for industrial use, frozen animal semen, live animals, potatoes, onions and garlic) and not just for fruit and vegetables?

## **Answer:**

The Ministry of Supply for a long time was the sole importer of the products (mentioned in your questions) which need to have prior approvals now. Since 1995 it has been the government policy to liberalize its trade regime and to activate the role of the private sector. Based on this, it was decided to open up the importation of the mentioned products by allowing the private sector to import them. The main role of the government toward achieving the food security goal is to keep a strategic reserve of wheat, rice, wheat flour, barely, corn, and powder milk for consumption. Given this fact and to keep balance between opening up and achieving the food security policy, the prior approvals is an intermediate step toward the full liberalization of importing these products. Even though, prior approvals are still needed for the purpose of controlling the strategic reserve of these products but the retention of the prior approvals is not for a long time and the government has the full intention to eliminate them whenever the private sector is able to take the full responsibility of all matters related to the subject.

Also, these kinds of goods need huge storage facilities which are relatively not available to the private importers. The storage of these commodities in the Ministry's warehouses need to be regulated and one way of regulating the whole process is by issuing the automatic prior approvals to reserve spaces for the imports.

## Question 99.

Are there no longer any charges for obtaining a "prior approval" for importation or other form of import licence?

#### **Answer:**

There are no other charges for obtaining prior approvals on import licences.

## Question 100.

Please describe the procedure for obtaining an exchange permit. To whom does the importer submit the application and who determines whether or not the application will be approved Please describe the fees for obtaining the permit. What information other than the import licence or "prior approval" must be submitted to obtain the exchange permit? What criteria are considered in determining whether the exchange permit will be issued?

#### **Answer:**

Exchange permits for imports are granted according to the letter of credit opened with a commercial bank. The requirements for opening a letter of credit are:

- (a) the importer has to show that he holds an importer's card:
  - (i) if the goods to be imported do not need import licence or prior approval, then the importer's card is all what he needs;
  - (ii) if imports need prior approval or an import licence then he has to provide this as well;
  - (iii) if imports has to provide this as well.
- (b) the importer then opens his letter of credit with a commercial bank and the bank gets the exchange permit from the Central Bank of Jordan;

Fee charged on a letter of credit is 0.001 of the value of the L/C paid to the Central Bank of Jordan.

## Question 101.

According to the response to question 63 of WT/ACC/JOR/8, the Government of Jordan requires prior approval for the importation of electric and electronic video games.

Please describe the procedures applicable to obtaining the prior approval for the importation of electric and electronic video games in the form of a response to the Questionnaire on Import Licensing.

#### **Answer:**

To be able to import electric and electronic video games, the importer must get prior approval from the Ministry of Interior/Public Security Department. He can apply for that either directly to the Public Security Department or indirectly through the Ministry of Industry and Trade which requests such approval on behalf of the importer. However, approvals are granted only to shops licensed to use or deal with such games. After obtaining the prior approval the importer proceeds in the usual manner to import the goods.

## Question 102.

Please describe the procedures applicable to domestically-produced electric and electronic video games to ensure that they do not endanger the social fabric of the country.

#### **Answer:**

Jordan does not produce such games.

### Question 103.

According to the response to question 63 of WT/ACC/JOR/8, prior approvals for importation are required for rice, wheat and sugar, in order to ensure a strategic reserve of these commodities.

How does the Government of Jordan determine whether to grant prior approvals for importation of these products? Does the Government of Jordan have specific import quotas? How does the Government determine the size of the quota and how does it ensure that it is equitably allocated among importers?

## Answer:

There is no specific import quota imposed on the importation of rice, wheat and sugar.

## Question 104.

According to the response to question 63 of WT/ACC/JOR/8, the Government of Jordan requires prior approval for the importation of industrial powdered milk in order to ensure that it is used for chocolate and biscuit factories, and not mixed with dairy products, like yogurt and cheese.

Does the Government of Jordan prohibit the mixing of domestically-produced powdered milk with dairy products, like yogurt and cheese? If not, how does Jordan intend to provide national treatment to imported industrial powdered milk?

Jordan does not produce powdered milk. All powdered milk in the country is imported.

#### Question 105.

Is there a sound scientific basis for the prohibition of mixing of industrial powdered milk with dairy products, like yogurt and cheese? If yes, please describe.

#### Answer:

Industrial powdered milk is imported to be used for confectionery like ice-creams, chocolates and biscuits and its use is restricted for that purpose. On the other hand yogurt and cheese must be made from fresh milk.

## Question 106.

(WT/ACC/JOR/8, Question 66) Jordan explained that there are 43 items that require prior approval for import. Of the 43 items, 12 are agricultural products (rice, one brand of dried milk powder, wheat and wheat flour, sugar, barley, corn, frozen animal semen, live animals, chilled and frozen meat, potatoes, onion, and garlic). Same comment and question as per question 54.

#### **Answer:**

See answer to question 74 above.

## Question 107.

(WT/ACC/JOR/8, Question 67) Jordan noted that the food products that need permission from the Ministry of Supply now are rice, Halibuna powdered milk, wheat and wheat flour, sugar, and cigarettes, and that the process of elimination is moving fast. Same comment and question as per WT/ACC/JOR/8 question 54.

### **Answer:**

See answer to question 74 above.

## Question 108.

In Section IV of the memorandum (10 October 1994), it is stated that there are six foodstuffs that require permission from the Ministry of Supply (before they can be imported). However, in question 6 of WT/ACC/JOR/8 (4 June 1997), Jordan confirms there are 43 commodities that require prior approval for import, including 12 agricultural products (rice, one brand of milk, wheat and wheat flour, sugar, barley, corn, frozen animal semen, live animals, chilled and frozen meats, potatoes, onions and garlic).

Could Jordan explain whether there is a difference between the 12 items requiring prior approval and the six items requiring permission, or whether there are same with the only change being that there are now 12 items?

Of the 12 agricultural products that need prior approvals, six are to be obtained from the Ministry of Supply.

#### (h) Customs valuation

## Question 109.

Please provide the Working Party with a copy of the new draft Customs Law in a WTO language.

#### **Answer:**

The new draft Custom Law is still being discussed in Parliament and there is no copy in any of the WTO languages.

## **Question 110.**

According to WT/ACC/JOR/3, the customs duties in Jordan are calculated on the basis of the c.i.f. value of imports on the registration date of the customs declaration form. Please explain how the registration date of the declaration form affects the c.i.f. value of the imports and the calculation of the duties.

#### **Answer:**

The registration date of the declaration has an effect on the c.i.f. value for customs valuation purposes. First because of the daily swing in prices of goods and also insurance rates and cost. Second because the exchange rate of the dinar is based on the average exchange rates that are issued monthly by the Central Bank of Jordan.

## Question 111.

According to WT/ACC/JOR/3, in general, there is compliance between real and declared prices. Please explain what is meant by "real" and "declared" prices. Are these the same as "transaction value"? Are these terms defined in Jordan's valuation law?

#### **Answer:**

The real value means the value of the goods acceptable to customs authorities. The declared value means the value stated on the bill. Both definitions do not reflect the exact meaning of transaction value as it appears in GATT 1994 Agreement. The Jordanian Law defines only the value that must be declared.

## Question 112.

Please describe any differences in the burden of proof on the importer between the customs practice in Jordan and the requirements of Article 17 of the Customs Valuation Agreement.

According to the current customs law the burden of proof falls totally on the importer. This practice is in conformity with Article 17 of the Customs Valuation Agreement.

According to paragraph 1(a)(i) of Annex 4 of WT/ACC/JOR/8, the current Customs Law appears to define related persons as "any two persons of whom one has interest in the business of the other, or when both have a joint interest in any business, or when some third person has an interest in the business of any of them, whether these two partners were natural or physical persons." However, Article 15.4 of the WTO Customs Valuation Agreement provides a specific definition of related persons.

## Question 113.

Does the draft Customs Law incorporate the definition of "related persons" provided by the WTO Agreement on Customs Valuation? Please explain how the WTO definition is incorporated into the Jordanian law.

#### **Answer:**

The draft Customs Law includes definition of related persons similar to the one used in Article 15.4 of the Customs Valuation Agreement. The only difference is with paragraph h of Article 15.4. The Jordanian Law limits the family relation to the third degree as far as definition of related persons is concerned.

## **Question 114.**

According to paragraph 1(a)(iii) of Annex 4 of WT/ACC/JOR/8, the current Customs Law does not contain a provision for giving the communication, required by Article 1.2(a) of the Customs Valuation Agreement, of the grounds for considering the prices as being influenced by the relationship between the parties.

Does the draft Customs Law provide for the Article 1.2(a) notification to the importer?

#### **Answer:**

The draft Customs Law does not have reference to notifying the importer of the basis for considering the relation between him and the buyer as influencing the price.

According to paragraph 3 of Annex 4 of the Memorandum, in the future, customs practices will comply with Article 5.2.

## Question 115.

Does the draft Customs Law provide for the Article 5.2 valuation method? If not, how will this provision be incorporated into future customs practices?

### **Answer:**

Yes, the draft Customs Law incorporates into the text the provisions of Article 5.2 of the Customs Valuation Agreement.

## Question 116.

Jordan will need to incorporate a provision concerning the valuation of lost or damaged goods.

#### Answer:

The draft Customs Law does not include such a provision. However, this will be addressed through instructions issued by the Minister of Finance in accordance with Article 33 of the Draft Law, that will deal with lost or damaged goods.

## Question 117.

Does the Draft Customs Law provide for the Article 6.2 computed value method? If not, how does the Government of Jordan intend to incorporate this provision into its customs practices prior to WTO accession?

#### **Answer:**

The Draft Customs Law does not include a provision similar to Article 6.2 computed value. But the actual practice should be consistent with the provisions of Article 6.2 especially if the other party implements what it is in the Agreement. The investigation about the computed value will be governed by the conditions of the other party.

## **Question 118.**

According to Annex 4 of WT/ACC/JOR/3, the draft Customs Law includes an Article that subjects anyone who discloses any confidential information to others, to questioning and punishment.

In order to comply fully with Article 10 of the WTO Valuation Agreement, Jordan should include a confidentiality provision which stipulates that such information shall not be disclosed without the specific permission of the person or government providing the information, except to the extent that it may be required to be disclosed in the context of judicial proceedings.

#### **Answer:**

Article 182.a of the Draft Customs Law stresses the importance of confidentiality in dealing with any documents. At the same time it preserves the right of the Customs Department to exchange information with other ministries and government departments for the purpose of implementing the Customs Law and other Laws. This should meet the requirements of Article 10.

## Question 119.

According to the information provided in Annex 4 of WT/ACC/JOR/3, the right of further appeal (beyond the Customs Court) is guaranteed by the Law. Does the draft Customs Law incorporate Article 11.3 of the WTO Valuation Agreement, which requires that the notice of the decision on appeal must be given to the appellant and the reasons for such a decision must be provided in writing?

Article 82.d of the Draft Customs Law stipulates that the decision of the Director General of the Customs Department can be contested at the Customs Court with 15 days of the date of notification. This should meet the requirements of Article 11.3

#### Question 120.

According to the information provided in Annex 4 of WT/ACC/JOR/3, some of the interpretative notes will be done through instructions in the Official Gazette or issued as special communiques. The Government of Jordan should incorporate all of the interpretative notes in its legislation, in order to satisfy the requirements of Article 14 of the Agreement.

#### **Answer:**

Instructions by the Minister of Finance in accordance with the Customs Law will be issued to incorporate the interpretative notes. Such instructions have the force of Law.

## (j) Pre-shipment Inspection

## Question 121.

Please give details of Jordan's plans for a pre-shipment inspection programme.

#### **Answer:**

The pre-shipment inspection plan Jordan is going to adopt is to choose an accredited international company in this field to carry out this task. The company will provide its services to Jordanian importers upon their request, and the importers will pay for the services rendered by the company. Such a programme will ensure that goods exported conform to specifications and value of goods in the contract which will help expedite the clearing process on these goods by the customs officers in Jordan.

## Question 122.

## What are Jordan's plans in the area of preshipment inspection?

#### **Answer:**

Currently, Jordan is going to adopt the preshipment inspection services (PSI) on voluntary basis. Importers can use this service if they wish, and on their own account. It is expected that the use of this service will expedite the customs clearance procedures.

## Question 123.

If a possible scheme is being considered, what will be the nature and purpose of such a scheme?

## **Answer:**

The Customs Department is expected to make use of the services of an international accredited pre-shipment company to ensure that the goods exported match the specification in the contract and that they represent the value of such goods.

## Question 124.

According to the response to question 1 of WT/ACC/JOR/8, the Government of Jordan will allow importers to use the services of a selected pre-shipment certification provider on a voluntary basis.

Prior to the next Working Party meeting, Jordan should prepare a description of the terms of its agreement with that firm, comparing it with the WTO Agreement on Pre-shipment Inspection and indicating its deficiencies.

#### **Answer:**

The pre-inspection inspection company has not started its activities. However, work is proceeding to lay down instructions based on the criteria laid down by the WTO. The terms of the agreement and the work instructions will be ready before the next Working Party meeting.

## Question 125.

Please describe the fee structure of Jordan's Pre-shipment Inspection contract.

#### **Answer:**

Because this service is voluntary, it was left to the importer to reach an agreement with the service provider on the fee to be charged. However, a reference in the tender was made that fees to be charged will be taken into consideration.

As for the need to ensure that the operations of the Pre-shipment Inspection firm should be consistent with the relevant WTO agreements and in particular GATT Article VIII and the implementation of Article VII of GATT 1994, the tender document required the company that its services are consistent with WTO requirements and the agreement of PSI companies.

## (k) Application of internal taxes on imports

## Question 126.

Please give details of excise duties (see WT/ACC/JOR/3, page 27).

#### **Answer:**

The excise duties have been replaced by sales tax. A table showing the specific sales tax that is imposed on exported and imported goods and includes items that were subject to excise duties like cigarettes and alcoholic drinks is attached to the General Sales Tax Law.

## Products Subject to Specific Sales Tax

No.	Product	Unit	_	omestic D. Fils	In JE	nported D. Fils
1	All kinds of cement	ton	10		10	
2	Iron for construction	ton	40		40	
3	Mineral lubricating oils	Kg.		200		200

No.	Product	Unit				mported D. Fils	
4	Natural and mineral water, gas water including soda water in - reusable container - disposable container	litre		20 166 175		20 166 175	
5	Fizzy drinks  (a) for immediate consumption  - reusable container  - disposable container  (b) Concentrates in  - drums that yield 96 bottles/25 cl.  capacity each	litre litre drum drum	  3 19	166 175 984 920	  3 19	166 175 984 920	
	- drums that yield 480 bottles/ 25cl. capacity each						
6	Beer including non-alcoholic beer (a) 35cl. container (b) 35cl. to 2/3 litre (c) Other	container container litre	 	175 245 420	  	285 385 585	
7	Alcohol (a) Pure alcohol (b) Mixed alcohol	liquid litre. liquid litre.		325 140		330 140	
8	Wine- 25 per cent alcohol (a) Sparkling wine (b) Other	litre litre		500 500	1	155 891	
9	Alcoholic drinks including wine with more than 25 per cent alcohol (a) Arak (b) Cognac (c) Other	liquid litre litre litre	  	600 650 850	 1 1	850  200	
10	Tobacco (a) Ordinary (b) Mixed with fruit syrup	Kg. Kg.	2 2		2 2		
11	Snuff	Kg.	2		2		
12	Chopped tobacco	Kg.		500		500	
13	Cigar	Kg.	15		15		
14	Tires for big cars	Tire		500		500	
15	Tires for small cars	Tire		250		250	
16	Lubricating mixtures	Kg.		005		005	
17	Cigarettes (a) Locally produced cigarettes for local consumption	box /20	Range of tax runs from 229 fils to 385 fils depending on the brand name, and from 197 fils to 342 fils for the same brand names sold to armed forces.				
	(b) Imported Cigarettes	box			-	385	

## (l) Rules of origin

#### **Question 127.**

According to the response to question 26 of WT/ACC/JOR/9, a certificate of origin issued by the authorized body in the exporting country to issue such certificates is required for all products. Please explain, along with examples, what is a considered to be an "authorized body."

#### **Answer:**

The authorised body will differ from one country to another, it could be a Chamber of Industry, Chamber of Commerce or a Ministry depending on the exporting country.

## Question 128.

Annex II.3 (d) of the WTO Agreement on Rule of Origin requires that Members are to ensure that exporters, importers, or any person with justifiable cause will be provided upon request assessments of preferential origin as soon as possible but no later than 150 days after a request for such an assessment is made. A similar requirement exists in Article 2(h) of the WTO Agreement for rules of origin applicable to non-preferential trade regimes.

Please describe in detail the process by which Jordan provides such assessments in compliance with the WTO Agreement on Rules of Origin. Please describe how such assessments are publicly available, as also required under Article 2(h) of the WTO Agreement.

#### **Answer:**

See answer 130.

## Question 129.

Please describe in detail the procedures that provide prompt independent review of administrative actions taken by Jordan in relation to determinations of origin, as required under Annex II.3 (f) and Article 2(j) of the WTO Agreement on Rules of Origin.

#### **Answer:**

See answer 130.

## Question 130.

If there are no rules of origin applicable to MFN trade other than review of a certificate of origin, how does Jordan ensure compliance with Article 2 (e) of the WTO Agreement, which requires that rules of origin are administered in a uniform manner, such as in a situation whereby countries are issuing certificates of origin using different standards?

#### **Answer:**

All Jordan requires from the exporter country on MFN basis is a certificate of origin which is issued by an authorised body in that country to issue such a certificate and is stamped by them. If there is a Jordanian Embassy or Consulate in that country then the certificate of origin must be stamped by them.

As for Jordan's rules of origin they are basically based on the value added or the local content of manufacturing. If a certain country requires a certain value added, then Jordan has to state on its certificate of origin the value added of the exported product, and the certificate is then stamped by the Amman Chamber of Industry or a Chamber of Commerce in town other than Amman, and finally stamped by the Ministry of Industry and Trade.

## Question 131.

We refer to Jordan's replies to questions 73 and 74 of WT/ACC/JOR/8. How does Jordan expect to be able to administer obligations it will assume under the Agreement on Rules of Origin?

#### **Answer:**

Jordan is working on developing its rules of origin and shall do its best to assume the obligations under the Agreement on Rules of Origin as soon as possible.

## **Question 132.**

What time frame does Jordan envisage for the development and implementation of rules of origin?

### **Answer:**

Please see answer to question 36.

## Question 133.

We are concerned that at present Jordan appears to have no specific laws and regulations on rules of origin (WT/ACC/JOR/8, questions 73-77, WT/ACC/JOR/9, questions 25-26). While Jordan has undertaken to implement legislation that conforms with WTO requirements once rules of origin harmonisation is agreed upon within the WTO, this appears to be some years off.

Could Jordan provide an indication of how it intends to deal with rules of origin issues in the interim?

### **Answer:**

Though Jordan does not have specific Laws and regulations on rules of origin, it applies the rules of origin of the country it exports to. However, the practice followed in Jordan for applying rules of origin is based on the value added or the local content of manufacturing. If an importing country requires a certain value added, then Jordan has to state on its certificate of origin the value added of the exported product, and the certificate of origin is then stamped by the Amman Chamber of Industry or a Chamber of Commerce in a town other than Amman, and finally stamped by the Ministry of Industry and Trade.

## **Question 134.**

Given that rules of origin in the Protocol Agreements impact on the access of third countries to Jordan's market, can Jordan provide to the working party the relevant texts of the protocol agreements?

These agreements are in Arabic. The only exception is the one with Israel.

## Question 135.

Question 26, WT/ACC/JOR/9. Is a certificate of origin required for all imports? If so, why? We note that in Jordan there is no legislation outlining the rules of origin. Please confirm the basis and the rationale behind requirements for origin licences for all imports. Please give details of (a) arrangements under preferential schemes and (b) for exports.

#### **Answer:**

The certificate of origin is required for all imports. This requirement is the evidence the importer produces to prove the origin of the product.

As for the products imported under preferential schemes, they could have their own set of rules of origin. But if such rules are not specified in the arrangement, then the principle of 40 per cent value added is applied. This requirement applies to Jordanian products exported under such preferential schemes as well.

## (m-o) Anti-dumping, countervailing duties and safeguards

#### **Question 136.**

Please provide a translated copy of the draft safeguard law to the WTO Secretariat for review prior to the next meeting of the Working Party.

#### **Answer:**

The Law is being discussed by the Parliament. No copy is available in English.

## Question 137.

Please identify and describe any discrepancies between the draft safeguard law and the requirements of the WTO Agreement on Safeguards.

## **Answer:**

The Draft Safeguard Law is inconformity with the requirements of WTO Agreement on safeguards.

## Question 138.

Please provide the Working Party with a copy of the draft Safeguard Law in a WTO language and plans to introduce anti-dumping and countervailing legislation.

### **Answer:**

The draft safeguard law is available only in Arabic. A by-law will be issued in accordance with the Safeguard Law, once this law is enacted to deal with anti-dumping and countervailing.

## Question 139.

Question 27, WT/ACC/JOR/9. The reply states that Article 16 of the Customs Law addresses partially unfair competition and then goes on to say that a new safeguard law has been drafted. This seems to imply that Jordan considers safeguard action as a remedy against unfair trade where as in fact it is a remedy against fairly traded goods. Can Jordan commit that future legislation will comply with WTO obligations on trade remedy provisions?

#### **Answer:**

See answer to question 134 above.

## Question 140.

Does the draft new Customs Law provide for the imposition of anti-dumping or countervailing duties? Please describe these provisions of new Customs Law and identify any discrepancies with the Agreement on Implementation of Article VI of the GATT 1994 and the Agreement on Subsidies and Countervailing Measures.

## **Answer:**

Article 15 of the Draft Customs Law stipulates that countervailing duties could be imposed, and safeguard measures taken including quantitative restrictions to counter act any procedure other countries have taken to endanger industry and trade, and to safeguard the interest of the national economy to the extent the Council of Ministers deems necessary.

## **Question 141.**

If Jordan is unable to complete the implementation of WTO-consistent legislation by the date of accession, does the Government of Jordan commit to refrain from imposing any anti-dumping, countervailing or safeguard measures, until WTO-consistent legislation has been enacted and properly notified to the appropriate WTO Committees?

#### **Answer:**

It is hoped that required legislation will be passed by the time Jordan accedes to WTO.

## 2. Export Regulations

## (d) Exporting licensing procedures

## Question 142.

According to the Memorandum, no licences are required for exports of Jordanian products, except for goods exported under protocol trade if the value of the exported goods exceed JD 1,000. Re-exports of foreign goods need export licences if their value exceeds JD 1,000.

Please explain how the Government of Jordan intends to provide national treatment in export licensing for re-exports of foreign goods.

This requirement has been abolished and re-exported foreign goods do not need export licence any more.

## Question 143.

Please describe how the Government of Jordan determines whether the exports are Jordanian products or are re-exports of foreign goods, when there has been some additional processing of the re-exported goods in Jordan.

#### **Answer:**

For an imported good that undergoes some additional processing to be considered national export, the value added must be 40 per cent or more. Otherwise, it is considered foreign good when it is exported.

## **Question 144.**

According to the Memorandum, Jordan requires prior approval for the exportation of several products, including wheat, wheat flour and other wheat products, sugar, rice, halibuna (milk) and milk for industrial use; ewes and cows; marble slabs, broken marble and mineral ores and fresh fruits and vegetables destined for protocol countries. GATT Article XI provides that no prohibitions or restrictions other than duties, taxes or other charges ... shall be instituted or maintained ... on the exportation or sale for export of any product destined for the territory of any other Member.

How does the Government of Jordan reconcile these "prior approval" requirements with the GATT Article XI prohibition on export licensing? What are the reasons for requiring prior approval for each of these export items?

#### **Answer:**

The reason for such approvals is based on the fact that most of these products are strategic food products. However, a phasing out of prior approvals is taking place and with time will be brought in line with the GATT article XI requirements.

## (f) Export financing, subsidy and promotion policies

## Question 145.

According to the response to question 87 of WT/ACC/JOR/8, the Government of Jordan exempts income tax on export sales of non-traditional products to non-Arab countries, in accordance with Article 27.2(b) of the WTO Agreement on Subsidies and Countervailing Measures.

Why does the Government of Jordan subsidize exports (through income tax exemption) only to non-Arab countries? How does Jordan intend to bring its export subsidy scheme into conformity with most-favoured-nation requirements?

Jordan's manufactured exports were geared traditionally to Arab countries. During the Gulf war in 1991 and afterwards Jordan's economy suffered from this pattern of trade. To encourage exporters to diversify both the products and the export markets, it gave them export incentives through exemption from income tax on profits realised on manufactured products exported to non-traditional markets. It is worth adding that this rule applies to products exported through non-preferential trade arrangement.

## Question 146.

What steps is the Government of Jordan taking to reduce and eliminate the income tax exemption on export sales? When does the Government of Jordan intend to eliminate fully this subsidy?

#### **Answer:**

Jordan realises that such practice is not in conformity with WTO requirements. In due time such subsidy will be eliminated.

## Question 147.

Please provide a timetable for terminating income tax exemption in respect of exports.

#### **Answer:**

Jordan is planning to phase out the tax exemption of exports. But the date to start a phasing out has not been decided on yet.

## Question 148.

In the reply to Question 31, WT/ACC/JOR/9. Jordan states that exports promotion incentives are consistent with WTO disciplines "because they do not lead to an increase in Jordanian exports in the world market more than its equitable share". Please provide percentages for those exports for which incentives are available.

### **Answer:**

The few incentives that are still in place are not product specific, they apply to all exports other than mineral exports and exports destined to countries Jordan has protocol trade with.

## Exports that Benefited from the Above-Mentioned Incentives:

	Exports which benefited from incentives (Million JD)	Domestic exports (Million JD)	Percentage (1) / (2)
1995	10.8	1004.5	1.1 per cent
1996	14.6	1039.8	1.4 per cent

- 3. Internal Policies Affecting Foreign Trade in Goods
- (b) Technical regulations and standards

## Question 149.

We noted Jordan's comments during the July Working Party meeting regarding border inspection/testing. Are changes planned for the border inspection service, and if so, could Jordan provide more details of how it intends to operate these services?

#### **Answer:**

Currently the Customs Department is executing plans to develop the inspection services on goods through the following procedures:

- by adopting the green lane classification that allows phasing out the actual inspection for all goods crossing the border;
- by using random inspection of goods.

Also, the Customs Department intends to use the preshipment inspection (PSI) and X-ray machines to check the containers in order to facilitate the clearance process.

## Question 150.

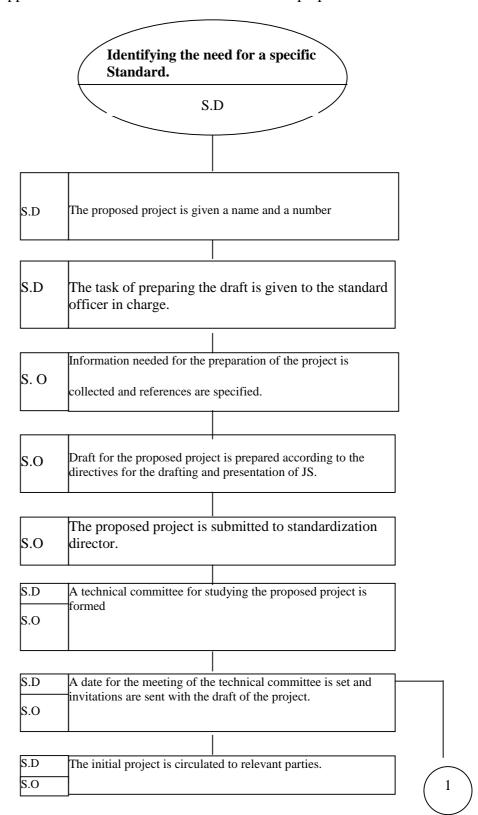
Could Jordan including in its explanation a full outline of the scientific basis for setting of standards for various products?

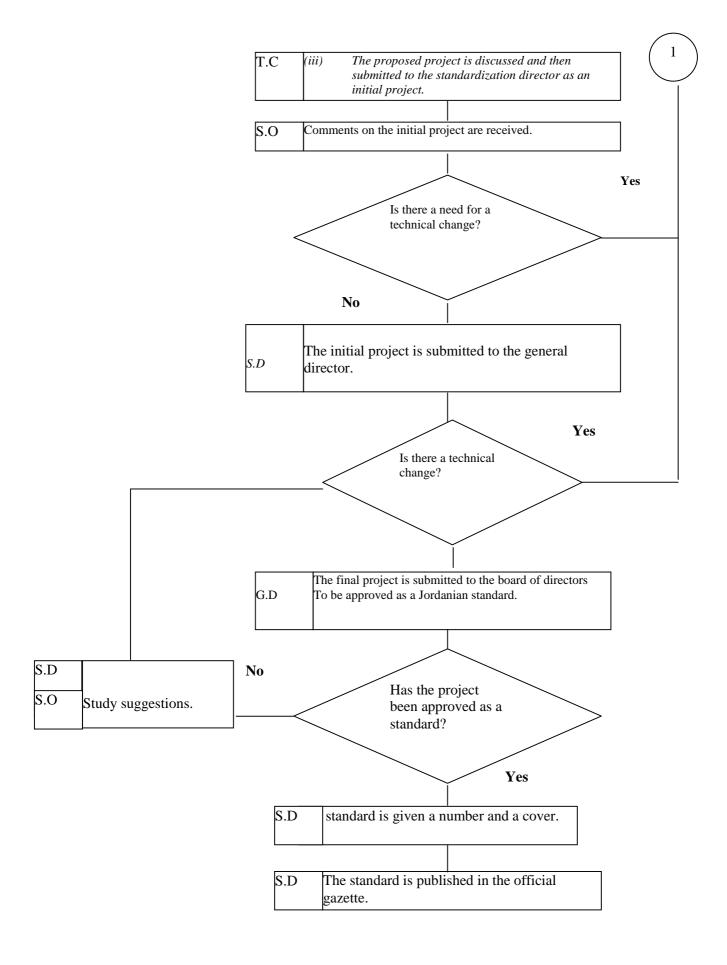
## **Answer:**

## A.14- Procedure for the preparation of a new Jordanian Standard (JS)

<u>Purpose</u>: This procedure was written to organize and unify the process of preparing a new Jordanian Standards.

**Scope:** this procedure applies whenever a new Jordanian standard is prepared.





## Abbreviations:

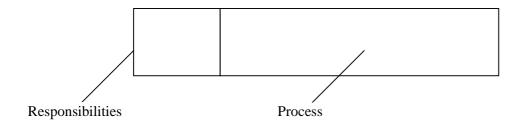
S.D: Standardization Director

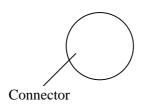
S.O: Standard officer

T.C: Technical committee

**G.D:** General director

JS: Jordanian Standard





## Question 151.

(WT/ACC/JOR/8, Question 91) Jordan noted that it will assume the responsibilities of the TBT and SPS Agreements "as soon as it finds itself in a position to do so". Could Jordan provide more information about the nature of measures that need to be brought into conformity and when and how it intends to fulfil the obligations of the TBT and SPS Agreements?

#### **Answer:**

Jordan is committed to implement the TBT and SPS agreements. However, Jordan needs time to bring its measures in conformity with the TBT and SPS agreements through changing the SPS legislation and increasing the efficiency of the existing laboratories.

## Question 152.

According to the response to question 91 of WT/ACC/JOR/8, Jordan will assume its responsibilities on TBT and SPS Agreements as soon as it finds itself in a position to do so.

Please provide a translated copy of the Standards and Metrology Law No. 15 for 1994 to the WTO Secretariat prior to the next meeting of the Working Party.

#### **Answer:**

A copy was sent to the WTO Secretariat. (WT/ACC/JOR/4)

#### **Question 153.**

Do agricultural imports require certification before importation? If yes, could you provide detailed information regarding the certification process for both domestic and imported agricultural products, including the specific criteria applied in granting the certification?

#### **Answer:**

Agricultural products need certificate of origin, phytosanitary certificate and pesticide residue certificate.

## Question 154.

Please indicate the provisions of Jordan's law or regulation in its standards and inspection regime that implement each Article of the WTO TBT Agreement. Please describe in detail any aspects of Jordan's standards and inspection regime that are currently deficient and the steps Jordan is taking or will take to remedy the deficiency prior to WTO accession.

# (a) <u>Articles of WTO TBT Agreement and the Related Articles in the</u> Jordanian Law of Standards and Metrology No. (15) 1994.

Articles in WTO	Articles in the Jordanian Law
TBT Agreement	(for details see annex 1)
2.2	4-(c)
2.4	5 (a)-13
2.6	5 (a)-13
2.9.1	5 (a)-14
2.11	5 (a)-14
5.1 and 5.2	5 (a) -5
	Procedures for product certification (Jordanian Quality Mark No. 49/1997) draft procedures for quality system certification and labs accreditation.
6.1	5 (a) -11
6.1.1	5 (a) - 8
6.1.2	5 (a) -11
6.3	5 (a) -11
10.4	5 (a) -14

- (b) Deficiencies in the Jordanian Law regarding the implementation of the WTO TBT and their remedies:
  - (i) Article 5 -13 addresses only standards, not international guides or recommendations. The law need to be amended to cover these aspects. However, The Jordan Institute for Standards and Metrology (JISM) uses international guides and recommendations as a reference in the preparation of its regulations;
  - (ii) JISM issues voluntary and mandatory standards. Mandatory standards should be replaced by technical regulations which addresses health protection, safety, and environmental aspects;
  - (iii) most of the Jordanian standards are based on descriptive characteristics rather than on the performance, but this has started to change since JISM has started the application of code of good practice;
  - (iv) Article 12 states that no commodity or material shall enter Jordan unless if conforms with Jordanian mandatory standards except in certain cases and for specific reasons. Until now, every consignment is subjected to test to prove its compliance regardless of any conformity assessment procedure previously taken on the product;
  - (v) there is no article in the law regarding the TBT inquiry point. However, an inquiry point is established as a division at JISM's information center. The inquiry point will be developed with the assistance of the International Trade Centre (ITC) and the UNDP;
  - (vi) the inquiry point would have to collect all regulations that could affect the international trade from all relevant governmental organizations, but a mechanism is still needed to strengthen the communication channels between the inquiry point and such organizations.

## Question 155.

Please indicate the number of cases, in the past three years, in which the Government of Jordan has denied or significantly delayed entry of foreign goods on the grounds that the goods did not satisfy regulations on standards, measurement or quality, or were not correctly documented under such regulation. Please describe generally the most significant problems that foreign goods have encountered in satisfying standards requirements.

#### **Answer:**

During the year 1996, 33,300 customs transactions were received by the Control Department/JISM, out of which products related to 76 transactions were re-exported because they did not comply with Jordanian Mandatory Standards. These are distributed as follows:

- foodstuff 47 transactions;
- chemicals 19 transactions;
- engineering technology 10 transactions.

During the year 1997, 51,000 customs transactions were received by the Control Department/JISM, out of which products related to 65 transaction were re-exported because they did not comply with Jordanian Mandatory Standards. These are distributed as follows:

- foodstuff 41 transactions;
- chemicals 6 transactions;
- electrical devices 18 transactions.

The most frequent non-compliancies concerning foreign goods is the shelf-life of foodstuff (specially sweets and candies). Another problem on which milk products and chocolates were rejected was the Mad-Cow Disease. A resolution on that issue was published by the Ministry of Health. Furthermore, labelling is another occasional problem.

## Article (4), Article (5) and Article (12) of Law No. 15/1994

#### Article 4:

The Institution aims at achieving the following objectives:

- (a) adopt a national system for standards and metrology founded on the current scientific basis;
- (b) keeping pace with scientific development in the fields of standards, metrology and quality control activities;
- (c) provide health, economic and environmental protection for the citizens by ensuring that consumable goods and the materials conform with their approved standards;
- (d) support the national economy and economic development plans by assuring the quality of the national industries and domestic production of commodities and other materials through the provision of adequate levels of standards that enable them to take part in the fields of competition and its various manifestations.

## Article 5:

- (a) To achieve the objectives intended from this law, the Institute shall undertake the following functions and powers:
  - (i) prepare, approve, revise, amend, replace and monitor the implementation of standards for commodities, materials except for drugs, veterinary medicines, serums and vaccines;
  - (ii) establish a national system of measurement and supervise its implementation;
  - (iii) unify means and methods of measurement;
  - (iv) develop, calibrate, adjust and control measuring instruments;
  - (v) grant quality mark and certificate of conformity;
  - (vi) approve the national basic measurement standards (etalons) necessary for calibrating measuring instruments in order to hallmark or stamp them;
  - (vii) control, examine and hallmark the established finances for precious metals and stones and jewellery;
  - (viii) accredit qualified testing or calibration laboratories (at the public and scientific institutions) specialised in carrying out examinations, analysis and tests of commodities and materials for the sake of applying standards;
  - (ix) utilise local facilities available at government bodies and scientific institutions to enable the institution to achieve its objectives and carry out is functions and powers;
  - (x) support and promote studies and research at the accredited testing laboratories in the fields relevant to standards, metrology and quality control, and organise training courses relevant to the fields of concern to the institution:
  - (xi) conclude agreements with Arab, regional and international institutions and bodies regarding the mutual acknowledgment of quality marks and certificates of conformity provided that nay agreement should include the advance and continuous inspection of commodities and materials contained therein, to ensure their conformity with approved criteria and technical requirements;
  - (xii) cooperate and coordinate with, or join the membership of the Arab, regional and international institutions active in the fields of standardisation and metrology;
  - (xiii) may accept and approve, for ,the purpose of this law, standards of other countries and of Arab, regional and international organizations, provided that such standards are in Arabic or English languages;
  - (xiv) publish, distribute and sell publications related to approved standards and other publications issued by the institution, or by Arab, regional, or international organizations or other countries.

(b) The Institute is the sole reference in the Kingdom for all matters related to standardization and metrology. It may seek the advice and recommendations of the other ministries and departments in such fields.

#### Article 12:

- (a) No commodity or material shall be imported, entered into or produced in the Kingdom, unless it conforms with the approved mandatory standards for that commodity. The Council may exempt any commodity from the provisions of this article in certain cases and for specific reasons.
- (b) The ministries, government departments, public official institutions and municipal and rural councils are bound to restrict their activities, projects, tender documents, and purchases of commodities, materials and services, to approved mandatory standards as a minimum for their quality, together with observing the valid "Code of the Jordanian National Building Council".
- (c) The owners of existing factories shall adhere to the approved mandatory standards for the commodities and materials they produce in their factories, as well as for all the activities and materials they use therein. It is forbidden to print any phrase which may mean conformance with the Jordanian Standards on the label of any commodity without written approval from the Institute.
- (d) All industrial and commercial institutions, public and private, as well as all individuals, shall fully adhere to the approved mandatory standards relating to the protection of environment and occupational health.

## Question 156.

Does the Jordan Institute for Standards and Metrology publish and circulate draft standards for comments at least 60 days in advance of finalization? If not, please indicate the steps Jordan is taking to meet this requirement of the WTO TBT Agreement. Please describe the procedures used by the Institution for Standards and Metrology to ensure that public notice of draft standards for comment is provided to all parties. How long is the period for comments on draft standards, technical regulations and conformity assessment procedures?

## **Answer:**

The Jordan Institute for Standards and Metrology (JISM) publishes and circulates draft standards and technical regulations and allows a period of 50 days for the submission of comments on draft standards by all interested parties such as the industry through the Chamber of Industry, the trade through the Chamber of Commerce, the Customer Protection Association, research institutions and testing laboratories.

## Question 157.

Do the laws or regulations direct the Institution for Standards and Metrology or other agencies to consider the use of appropriate international standards when they are drafting standards? Please outline the process by which standards are developed in Jordan.

According to Article No. 5 clause 13 of Law No. 15/1994 "Law of Standards and Metrology", JISM is allowed to adopt International Standards as national standards. The process by which standards are developed is described in instruction no. 4/1995 "preparation of Jordanian Standards" (enclosed).

## Question 158.

How are final standards and technical regulations published in an official gazette or otherwise notified to the public. How are importers notified of draft standards or changes in the technical regulations?

#### **Answer:**

JISM has started publishing a bulletin since the beginning of 1998, in which the work programme of the standards is published, which contains standards currently being prepared, draft standards and withdrawn standards. In addition to that a list of draft standards, new standards and updated standards together with copies of these standards are monthly sent to the Chamber of Commerce, Chamber of Industry and Consumer Protection Association.

## (c) Sanitary and phytosanitary measures

## Question 159.

WT/ACC/JOR/9, questions 33 and 35 refer to SPS. Could Jordan advise the extent to which it is considering working towards the concept of equivalence, is allowing importing countries like New Zealand to certify that products leaving New Zealand are meeting equivalent Jordanian standards?

#### **Answer:**

Jordan has not yet issued any procedures or regulations regarding the concept of equivalence. However, the Jordan Institute for Standards and Metrology understands the need for issuing new regulations for the acceptance of the sanitary or phytosanitary measures of other members, if the exporting member objectively demonstrates to Jordan that its measures achieved the same level of health protection to consumers. The new procedures will consider Jordan's right to have the access to verify inspection testing and other procedures of the exporting member and to sign bilateral agreements or recognition of equivalence.

#### **Question 160.**

## Does Jordan accept equivalence and ISO procedures?

#### **Answer:**

Jordan accept ISO procedures and is considering equivalence as explained in answer to question 158.

## Question 161.

Will Jordan be able to comply with the provisions of the SPS Agreement from date of accession?

Jordan will not be able to comply with the provisions of the SPS Agreement from date of accession. Jordan needs to enhance the ability of the diagnostic labs and their personnel to cope with these requirements.

#### Question 162.

Please identify all products, including HS numbers, that are subject to stricter sanitary and phytosanitary measures than are set out by international standards organizations. For each such product, please describe how the Jordanian standard is more strict than the international standard and the scientific basis for imposing a more restrictive standard.

#### **Answer:**

Jordan does not have any products that are subject to stricter sanitary and phytosanitary measures than are set out by international standards organizations.

## Question 163.

Please identify any provisions of the SPS Agreement for which Jordan intends to seek a transition period for the implementation of the WTO SPS Agreement. Would such transitions be product specific? If so, please list all products, including HS numbers, for which the Kingdom of Jordan seeks a transition, and for each such product, please describe the specific reason that a transitional period may be required.

#### **Answer:**

Jordan needs transitional period to be able to implement the SPS agreement especially to update and develop capability of test laboratories.

## Question 164.

Has the Government of Jordan published all sanitary and phytosanitary regulations which have been adopted? If so, where can traders find them?

#### **Answer:**

Yes, Jordan has published all sanitary and phytosanitary regulations in the Official Gazette. Traders can find such information from Chambers of Trade in Jordan.

## Question 165.

Do the procedures followed in implementing Jordan's sanitary and phytosanitary regime conform fully with the requirements provided in Annex C of the WTO Agreement on Sanitary and Phytosanitary Measures? Please identify and describe any deficiencies.

#### **Answer:**

The procedures Jordan follows in implementing the sanitary and phytosanitary regime are in line with annex C of the SPS agreement. But to conform fully with SPS requirements Jordan need to upgrade the capability of its Labs and their staff.

## Question 166.

Please indicate which of these Jordanian SPS standards are more trade restrictive than corresponding international standards. Where domestic standards are more restrictive than international standards, is Jordan prepared to provide objective scientific justification for the discrepancy?

#### **Answer:**

There are no products that have standards that are different from international standards.

## Question 167.

Please provide a list of all quarantine pests. Are any of these pests established in Jordan? If so, please describe any measures that have been taken to control these pests domestically.

#### **Answer:**

A list of all quarantine pests, is being updated. It shall be sent to WTO Secretariat as soon as it is finalised.

Control measures applied domestically include use of pesticides, soil fumigation with methyl bromide and soil solarisation if possible.

## **Question 168.**

For products subject to mandatory sanitary or phytosanitary certification, are importers required to apply for such certification for each individual shipment? Are there provisions for longer-term certification, perhaps subject to self-declaration and random inspection? If so, to which products do such provisions apply?

#### **Answer:**

Each shipment needs a health certificate.

## Question 169.

For imported products subject to mandatory shipment-by-shipment sanitary or phytosanitary certification requirements, what procedures are used to ensure that domestic producers of the same products also comply with the relevant standards? For such products, are domestic producers required to certify compliance with mandatory standards for each ex-factory shipment?

#### **Answer:**

Domestic procedures have to comply with the required standards. A random sample inspection is carried out in farms and in the market for testing pesticide residue in these products. Animals are examined before slaughter, and carcasses are examined to decide on their suitability for human consumption. Every shipment exported from Jordan is accompanied by a health certificate and a certificate of origin.

## Question 170.

(WT/ACC/JOR/9, Question 33) Jordan indicated that the available laboratory capacities and capabilities may not be enough to cope with a possible increase in demand for inspections under the SPS Agreement due to increased imports. We appreciate the reply in the Working Party that Jordan provides for mutual recognition of certificates issued by governmental inspection agencies. Is Jordan prepared to accept inspection certifications from other countries on a mutual basis in order to relieve the burden identified by them?

#### **Answer:**

Yes, Jordan is prepared to accept inspection from other countries on a mutual basis in order to relieve the burden identified by them.

## (f) State-trading practices

## **Question 171.**

We welcome the privatization process of the agricultural Marketing and Processing Company. Is Jordan in a position to tell when the AMPCO will be totally privatized?

#### **Answer:**

It is difficult to give the exact date when AMPCO will be totally privatized. But it is expected to be finalised before the end of 1999.

## Question 172.

(WT/ACC/JOR/9, Question 42) Jordan explained that the Agricultural Marketing and Processing Company "is a private company owned by State agencies" such as the Jordan Investment Corporation, the Social Security Corporation, and the Agricultural Credit Corporation. Furthermore, Jordan noted that the Agricultural Marketing and Processing Company is in the process of being privatized.

Could Jordan please explain the relationship[ between the Agricultural Marketing and Processing Company and the State agencies which own it? How can the Company be "private" and "state-owned" at the same time? When will the privatization process be completed?

#### **Answer:**

The company is now privatized and functions on commercial basis.

## Question 173.

Does the Agricultural Marketing and Processing Company have any exclusive or special privileges in its purchases or sales involving either imports or exports? Please describe these privileges.

#### **Answer:**

The Agricultural Marketing and Processing Company does not have any exclusive or non-exclusive rights in purchase or sales involving imports or exports as it does not engage in such operations at all.

## Question 174.

According to the response to question 100 of WT/ACC/JOR/8, the Agricultural Marketing Organization (AMO) regulates the import and export of agricultural products from and to Arab countries with whom Jordan has bilateral trade agreements or trade protocols according to a yearly plan and quarterly agenda. These measures are intended to prevent excess supplies of similar products during the production season in Jordan. However, GATT Article XVII requires state trading enterprises to make any purchases or sales in accordance with commercial considerations, including price, quality, availability, etc.

The AMO's regulation of imports and exports of agricultural products is not being made on the basis of commercial considerations, but rather to support a governmental policy of preventing excess supplies of products. How does the Government of Jordan intend to bring the operations of the Agricultural Marketing Organization into conformity with the requirements of GATT Article XVII?

#### **Answer:**

In response to your enquiry about how to bring the operations of the Agricultural Marketing Organization into conformity with Article XVII, it is not a clear cut that AMO is a state-trading enterprise as it does not engage in commercial activities of importing, exporting, selling or distributing goods.

#### Question 175.

(WT/ACC/JOR/8, Question 109) Jordan explained that the Agricultural Marketing Organization (AMO) is one of its state-importing agencies and a marketing board. Jordan's response to question 90 stated that the AMO does not provide any support to producers, and does not engage in actual importing or exporting activities, but simply regulates imports/exports of agricultural products to and from Arab countries. If the AMO does not engage in actual importing or exporting activities, why does Jordan classify it as state-importing agency? Could Jordan provide more detailed information about the AMO's functions and responsibilities?

#### **Answer:**

The classification was based on that it helps marketing of exports. The following might help clarify the role of AMO.

The Agricultural Marketing Organization (AMO), an autonomous government entity, established in 1987 to help formulate marketing policies pertaining to agricultural products, develop domestic markets, open new export markets and to support the private sector. Moreover, AMO serves as an information bank for all fresh produce imports and exports. AMO major activities are as follows:

- (i) conducting market studies for agricultural products on both local and international markets;
- (ii) issuing periodical statistical reports that have detailed information on fresh produce prices, quantities, exports and imports;
- (iii) promote agricultural export by facilitating the participation of the private sector in the international trade fairs and exhibitions;
- (iv) collecting information and finding new export markets;

- (v) publishing brochures, guidebooks and news letters for producers, exporters and foreign importers of agricultural products;
- (vi) monitoring the quality of fresh produce exported from Jordan.

## Question 176.

(WT/ACC/JOR/9, Question 40) Jordan noted that the Ministry of Supply possesses exclusive trading rights for wheat and one brand of dried milk (halibuna). Same comment and question as question 54 of WT/ACC/JOR/8.

#### **Answer:**

See answer to question 54 WT/ACC/JOR/8.

## Question 177.

According to the response to question 40 of WT/ACC/JOR/9, the Ministry of Supply still imports wheat and one brand of dried milk (Halibuna). However, the response to question 100 of WT/ACC/JOR/8 states that the Ministry of Supply imports wheat, barley, corn, sugar, rice, one brand of milk (Halibuna) and cigarettes.

Please clarify exactly which products are imported by the Ministry of Supply.

#### **Answer:**

The Government has made it possible for the private sector to import all the products referred to above.

## Question 178.

Are private enterprises allowed to compete with Ministry of Supply in the importation and exportation of wheat, barley, corn, sugar, rice, one brand of dried milk (Halibuna) and cigarettes? What conditions, if any, does the Ministry of Supply impose on private enterprises, pursuant to the "prior approval" process, on their ability to import these agricultural products. Does the Ministry of Supply impose price or quantity limitations?

#### **Answer:**

If the sugar or the rice was imported by the private sector the Ministry of Supply does not impose any price or quantity limitation.

All the brands of dried milk (excluding Halibuna brand) are imported by the private sector enterprises and no price or quantity limitations are imposed on them.

There is not any kind of price or quantity restriction imposed on the corn imported by the private sector.

The private sector is allowed to import barely without any quantity limitation but there is a ceiling price imposed by the Government.

Wheat prices and quantities imported by the private enterprise are not restricted by the Government.

Concerning the imported cigarettes, the Ministry of Supply stopped importing cigarettes, and it was decided by the cabinet on 29 June 1997 to allow the private sector to import cigarettes.

## Question 179.

According to information provided in the responses to question 41 and question 80 of WT/ACC/JOR/8, it appears that some private enterprises have exclusive or special rights to import and export several important products, including phosphates, petroleum, cement, fertilizers, potash, leather and vegetable oils.

Please describe the special or exclusive privileges relating to importation and exportation for each of the following enterprises in the form of a response to the Questionnaire on state trading: Jordan Tanning Company, Jordan Petroleum Refinery Company, Jordan Cement Factories Company, Jordan Phosphates Mining Company, Fertilizers Company, Arab Potash Company and the Arab Company for Manufacturing White Cement.

#### **Answer:**

The exclusive privileges of importation and exportation are given to these enterprises in accordance with their Laws. The exemption from customs duties is granted upon a special decision by the Council of Ministers. See answers 41 and 80 of document WT/ACC/JOR/8.

#### Question 180.

What percentage of the total values of Jordanian imports and exports is attributed to the activities of these companies?

#### **Answer:**

Enterprise / Period	Im	ports		Exports	
	Value JD mn	% of Total Imports	Value JD mn	% of Total Exports	
Jordan Tanning Co., 1997 1996	0.23 0.708	.00% .00%	2.961 7.629	0.3% 0.7%	
Arab Co.for White Cement 1997 1996	0.498 0.204	.00% .00%	2.639 1.835	0.2 0.2	
Jordan Petroleum Refinery 1997 1996	461.0 461.0	15.9% 15.1%	Jordan Petroleum Refinery does no export any of its products. They ar locally used.		
Jordan Phosphates & Chemical Fertilizers Co., 1997 1996	75.59 89.42	2.6% 2.9%	245.04 254.44	23.0% 24.5%	
Jordan Cement Factories Co., 1997 1996	12.30 13.60	0.04% 0.04%	31.0 39.0	2.9% 3.7%	

Enterprise / Period	Imp	oorts		Exports
	Value JD mn % of Total		Value	% of Total Exports
		Imports	JD mn	
Arab Potash Co.,				
1997	116.2	4.0%	98.6	9.2 per cent
1996	91.29	3.0%	126.5	12.1 per cent

#### Question 181.

(WT/ACC/JOR/9, Question 74) Jordan noted that it has plans to deregulate agricultural production and trade through actions including: (i) the removal of all imports monopolies on agricultural commodities; (ii) the withdrawal of the Government from the process of pricing manufactured agricultural products.

Could Jordan please explain which import monopolies are presently involved in the production and/or trade of agricultural commodities?

When will all import monopolies be removed for agricultural commodities? Could Jordan please complete the Questionnaire on State Trading?

When will the Government be withdrawn from the process of pricing manufactured agricultural products?

## **Answer:**

The import monopolies for agricultural commodities have been removed and the private sector is permitted to import these products.

For the pricing of the manufactured agricultural products see answer to question 13 above.

## Question 182.

(WT/ACC/JOR/9, Question 77) Jordan noted that with the exception of sugar, rice, wheat, milk, and dried milk, "agricultural products that the Government used to import exclusively are now open for the private sector to import". Furthermore, Jordan explained that the Ministry of Supply intends to abolish all prior approvals for imports.

Jordan's reply 66 acknowledged that approval is needed from certain government institutions for imports of agricultural products such as rice, powdered milk, wheat flour, sugar, frozen lamb, wheat, barley, corn, milk for industrial milk, frozen animal semen, live animals, potatoes, onions, and garlic.

Furthermore, Jordan's reply to question 67 noted that prior approvals are required for imports of fruits and vegetables from certain countries. Finally, response 19 (b) stated that the Government is currently considering whether to allow the private sector to import cigarettes. Could Jordan provide a list, at the HS 6 digit level, of all products requiring prior approval from government institutions and indicate, for each item, which government institution is responsible for granting approval, and target date for any planned removal of such approval requirements.

Jordan's import regulation Annex 2 provide the list of all products requiring prior approvals from government institutions, and it indicates which government institutions are responsible for granting the approval. Please find below a translation of Annex 2.

## **Prior Approvals**

	Product	HS Code	Party Granting Approval
1.	Rice	10.06	Ministry of Supply (MS)
2.	Halibuna Powdered Milk	04.02	MS
3.	Wheat Flour	11.01	MS
4.	Sugar	17.01	MS
5.	Wheat	10.01	MS
6.	Barley	10.03	MS
7.	Corn	10.05	MS
8.	Milk for Industrial Use	04.02	MS
9.	Live Animals	Chapter 1	Ministry of Agriculture
10.	Frozen animal Semen	0511.10	Ministry of Agriculture
11.	Fresh Chilled and Frozen Meat	Chapter 2	Ministry of Agriculture
12.	Potato	07.01	Agricultural Marketing Organization
13.	Onion	0703.10	Agricultural Marketing Organization
14.	Garlic	0703.20	Agricultural Marketing Organization
15.	All Kinds of Arms and Ammunition	Chapter 93	Ministry of Interior, Public Security Dept. (PSD)
16.	All Kinds of Explosives	36.01 36.02 36.03 36.04	PSD
17.	Pen Knives and Similar Articles	82.11	PSD
18.	Children Automobile Toys Operated With Fuel	95.01	PSD
19.	Remote Control and Toy airplanes	9503.20	PSD
20.	Electrical and Electronic Video Games Machines	95.04	PSD
21.	Self-Defense Electrical Equipment	85.43	PSD
22.	Radio-Active Materials and Uranium	28.44	Ministry of Energy and Mineral Resources
23.	Wireless Transmitters and Receivers	85.25	Telecommunications Regulatory Commission (TRC)
24.	Wireless Alarm Equipment	85.31	TRC
25.	All Kinds of Remote-Control Equipment (except those for TV and Video	8543.209 8526.92	TRC
26.	Radar Apparatus	8526.91	TRC
27.	Transmission and Reception Stations	85.25	TRC

	Product	HS Code	Party Granting Approval
28.	Cellular Telephone Systems	85.25.201	TRC
29.	Cordless Telephones	85.17.11	TRC
30.	Cordless Microphones	8518.10	TRC
31.	Electrical Equipment for line Telephony and Telegraphy	85.17	TRC
32.	Decoders	8543.899	TRC
33.	Satellites	85.29 8529.101 8543.891	TRC
34.	Coloured Photocopying Machines	90.09	Central Bank of Jordan
35.	Medicaments, Antibiotics, Human Blood, Vaccines	29.41 30.02 30.03 30.04	Ministry of Health (MOH)
36.	Food Preparations Used by Athletes	2106.90	МОН
37.	Bromides of Potassium	2827.51	МОН
38.	Food Colourings	13.02	МОН
39.	Sheets and Pipes of Asbestos	68.11	МОН
40.	Milk and Foods for Children	04.02 2106.90	МОН
41.	Ice Cream and Other Edible Ice	21.05	МОН
42.	Postage Franking Machines	84.70	Ministry of Post and Communications
43.	Halogenated Derivatives of Hydrocarbons	2903.4 2903.46	Public Corporation for Protection of the Environment
44.	Boring Machinery for Water	8430.4	Ministry of Water and Irrigation
45.	Used Automobile Tires	40.12	Ministry of Industry and Trade
46.	Military Clothing	Chapters 61+62	General Command of the Armed Forces

## (j) Government mandated counter trade and barter

## Question 183.

According to the response to question 10 of WT/ACC/JOR/8, Jordan has a bilateral trade with Iraq that provides for the exchange of Jordanian exports with Iraqi oil. Beginning in 1997, the Agreement no longer provides for a credit arrangement.

Please describe the procedure used by the Government of Jordan to pay for imports of Iraqi oil. How does the Government of Jordan value its exports and the oil imports for purposes of this exchange? How does the Government of Jordan assess customs tariffs and duty charges on the oil imports received from Iraq?

#### **Answer:**

The total value of the Trade Protocol with Iraq, represents the value of imports of oil from Iraq that equals the value of Jordanian exports to Iraq. An account is kept in the Central Bank of Jordan, whereby the value of oil imports are registered and the value of Jordanian goods exported to Iraq in exchange for the Iraqi oil. The tariff paid on crude oil imported from Iraq or any other country is 5 per cent.

## (l) Government procurement practices

## **Question 184.**

Please provide the Working Party with a copy of Jordan's public procurement legislation in a WTO language.

#### **Answer:**

Attached is copy of the Tenders Regulations No. 1 of 1994 (WT/ACC/JOR/12). The Supplies Regulations No. 37 of 1993 is being translated and we shall provide a copy once translation is completed.

## Question 185.

Please provide a translated copy of Supplies Regulation No. 32 for the year 1993 and the Tenders Instructions No. 1 of 1994, issued by the Ministry of Finance, to the WTO Secretariat prior to the next meeting of the Working Party.

#### **Answer:**

The Supplies Regulation No.32 for 1993 and the Tenders Instruction No. 1 of 1994 will be supplied to the Secretariat once the Supplies Department is finished with the translation of both regulations.

## Question 186.

Question 46, WT/ACC/JOR/9. Jordan collects statistics on public procurement. Please provide them to the Working Party.

#### Answer:

Please find below the value of Public Supplies Department purchases during the years 1992-1996, and also according to the kind of supplies purchased during the same period.

## Purchases in (92,93,94,95,1996), classified as per the kind of supplies (JD. Million)

Kind of Supplies	Medical Disposables	Medical & Lab-	Remedies &	Veterinary &	Stationary & Printing	Furniture & House	Insurance Services &	Spare Parts	Telecommunication s Equipments	Computers &	Vehicles Automob	Office Equip-	Ration Supplies	Total
(Year)	& Accessories	oratory Equip.	Medicines	Fertilisation Supplies	Matters	Utensils	Maintenance	Services	5 Equipments	Accessories	iles & Tires	ment	Supplies	
1992	9.8	3.6	1.8	0.490	2.3	2.4	1.3	2.3	4.1	1.4	4.7	4.1	5.7	44.0
1993	6.7	3.5	9.7	0.494	2.0	1.2	1.2	1.2	10.6	2.8	7.1	3.5	5.2	54.6
1994	5.1	7.7	10.2	0.236	1.5	2.2	1.5	1.4	6.8	2.9	7.5	0.4	6.5	53.9
1995	7.0	5.4	12.8	0.447	3.7	1.7	3.4	7.9	7.9	2.4	5.9	5.5	5.9	70.1
1996	6.1	2.5	14.5	0.475	2.4	1.7	4.4	0.443	3.9	4.5	5.2	3.8	8.9	53.8

## **Question 187.**

(Question 47, WT/ACC/JOR/9.) Jordan gives figures for public sector purchasing 7"excluding procurement of certain public departments and agencies that enjoy autonomy on their procurement according to their rules and regulations". Please provide a list of such bodies and the overall value of their purchasing.

#### **Answer:**

There are two public departments that fall in that category. They are the co-operation Organization and the National Aid fund.

## Question 188.

(Question 48, WT/ACC/JOR/9). Please provide information on the breakdown of the public procurement market both by contracting entity and product type.

#### **Answer:**

See answer to question 185 above.

## Question 189.

(Question 55, WT/ACC/JOR/9). Jordan has provided information on redress for suppliers who dispute the award of a contract. Please indicate if there is a timescale for consideration and final decision. Can matters be taken to court?

#### **Answer:**

The Secretariat of the tenders committee in the General Supplies Department announces the name of the winning bidders by affixing them on a special announcing board, or any other method devised by the Director General so as to be accessible for a period of four working days for any objections submitted by any participant. Then the tenders committee considers the objections and issues its decisions. If any bidder is not satisfied with the tenders committee decision, he can take the matter to court.

#### **Question 190.**

## (Question 61, WT/ACC/JOR/9). Please provide a reply:

#### **Answer:**

In government tenders, the local products get a 15 per cent privilege in the prices over imported products if the quality of both is equal. There is no other privilege for local products.

## (m) Regulation of trade in transit

## Question 191.

How does Jordan intend to end its discriminatory system of transit charges prior to WTO accession?

The transit system applied is not exactly discriminating. Fees changed on trade in transit is 0.003 for goods passing through Jordan in accordance with the Arab Transit Agreement, and 0.004 for other goods not subject to the Arab Transit Agreement. The Arab Transit Agreement is an agreement that is part of the Arab Regional trade arrangements within the Arab League.

## Question 192.

Are the provisions of the Arab Transit Agreement applied on a most-favoured-nation basis?

#### **Answer:**

The Arab Transit Agreement is applied on most favoured nation treatment for countries who are not members of the regional agreement.

## 4. Policies Affecting Trade in Agricultural Products

## Question 193.

Please provide a translated copy of the Agricultural Law No. 20 for 1973 to the WTO Secretariat for review by the Working Party.

#### **Answer:**

Jordan is working towards translating all the Laws that are required for WTO including the Agriculture Law No. 20 for 1973.

## Question 194.

(WT/ACC/JOR/9, Question 64) Jordan was asked to provide detailed import and export figures for agricultural products for the last three years. Could Jordan please provide figures for 1996 when available.

#### **Answer:**

The following table shows the value of agricultural imports and exports in 1996

Products	Exports 1996	Imports 1996
Live animals	33.1	26.8
Meat and edible meat offal	0.7	37.8
Fish and crustaceans, molluscs and other aquatic invertebrates		8.4
Dairy produce; birds' eggs; natural honey, edible products of animal origin, not elsewhere specified or included	2.9	60.4
Products of animal origin, not elsewhere specified or included	1.2	0.3
Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage	0.9	1.0
Edible vegetables and certain roots and tubers	58.1	20.2
Edible fruit and nuts; peel of citrus fruit or melons	18.7	49.5
coffee, tea, mate and spices	1.1	19.8

Products	Exports 1996	Imports 1996
Cereals		305.4
Products of the milling industry; malt; starches; insulin wheat gluten	0.29	8.5
Oil seeds and oleaginous fruits miscellaneous grains, seed and fruit; industrial or medical plants; straw and fodder.	0.1	25.5
Lac; gums; resins and other vegetable saps and extracts.		0.4
Vegetable plaiting materials; vegetable products not elsewhere specified or included.		0.5
Animal or vegetable fats and oil and their cleavage products; prepared edible fats; animal or vegetable waxes.	64.8	73.7
Preparations of meat, of fish, or of crustaceans, molluscs or other aquatic invertebrates.	1.3	9.00
Sugars and sugar confectionery	0.5	53.9
Cocoa and cocoa preparations	0.4	3.1
Preparations of cereals, flour starch; or milk; pastry cooks product.	3.7	3.9
Preparations of vegetables, fruit, nuts or other parts of plants.	7.2	6.3
Miscellaneous edible preparations.	3.2	17.5
Beverages, spirits and vinegar	3.7	2.5
Residues and waste from the food industries; prepared animal fodder.	0.9	34.7
Tobacco and manufactured tobacco substitutes.	0.4	10.1
Total	230.99	789.2

## (a) Imports

## Question 195.

No response is given to the specific question concerning the time frame for the liberalization of the import of all agricultural products. Could Jordan explain why it considers it necessary to regulate the import of food stuffs/agricultural products in this way?

#### **Answer:**

The prior approvals help monitor the imported amounts of some agricultural products and to ensure that there is a strategic reserve of such products that meets the needs of consumers.

## Question 196.

Could Jordan be more specific regarding a time frame for liberalization of the import of all agricultural products?

#### **Answer:**

The liberalization will be gradual and no time frame has been established yet.

## Question 197.

Does Jordan still charge the 5 percent fee on all agricultural inputs described in WT/ACC/JOR/3, or is this charge included in the tariff rates that were provided to the WTO Secretariat (WT/ACC/JOR/8/Add.1)?

This fee was incorporated into the consolidated fee which is part of the tariff rates.

## **Question 198.**

According to the response to question 109 of WT/ACC/JOR/8, the Ministry of Supply sells to wholesalers at cost, including import price, transport, insurance and storage. As for subsidized items sold to subsidy coupon holders with prices that are lower than local prices, the difference is covered by the Government.

Please describe the eligibility requirements to obtain subsidy coupons. What percentage of discount given to the subsidy coupon holders on these purchases?

#### **Answer:**

The prices of sugar, rice and dried milk (Halibuna)used to be subsidised to the food coupon holders. The food coupon holder is part of the family which its monthly income is less than JD 500. The quantities which are partly subsidised are as follows:

- 1.5 kg of rice/ person per month;
- 1.5 kg of sugar/person per month;
- 0.25 kg of dried milk/person per month.

The amount of this subsidy which is just part of the price of any of the above mentioned products as follows:

- 0.15 JD / kg of sugar;
- 0.19 JD / kg of rice;
- 0.84 JD / kg of dried milk.

The whole process is administered by the Ministry of Supply with the cooperation of the Ministry of Finance. The year was divided into three thirds, for this year the first two thirds were disbursed in products for the coupon holder but the last third was decided to be disbursed as a cash money for the coupon holders. The coupons subsidies were replaced by cash transfers.

## Question 199.

According to the response to question 122 of WT/ACC/JOR/8, Jordan restricts the weight of imported live sheep, because consumers prefer smaller lambs. This restriction on the size of lambs that can be imported into Jordan appears to violate GATT Article III.4.

Does the Government of Jordan impose similar weight restrictions on the sales of domestically-produced live sheep?

#### **Answer:**

Jordan does not impose such a regulation on the sale of domestically produced live sheep. However, these instructions were changed from weight to age. The sheep should not be more than one year old.

## Question 200.

(WT/ACC/JOR/8, Question 122) Jordan noted that it maintains weight restrictions on imported live sheep because domestic consumers prefer small lambs. Jordan also explained that it is considering to increase weights of imported live sheep, while appreciating consumer preference and demand. Canada would note that consumer preference does not require such a restriction and that such restrictions are not permitted under Article 4 (2) of the Agreement on Agriculture.

#### **Answer:**

Jordan has recently approved standard for imported live sheep based on the age of the live sheep. (one year or less regardless of its weight).

## Question 201.

We refer to weight restrictions on imports of live sheep (see reply to question 122 of WT/ACC/JOR/8) Is the sale of live sheep of Jordanian origin within Jordan subject to the same restrictions as those that apply to imported live sheep? Does the government forbid a live sheep transaction between any two parties in Jordan if an individual sheep of Jordanian origin weighs more than 44 kg, or if the average sheep weight of a consignment of Jordanian origin exceeds 40 kg.

#### **Answer:**

This criteria has been changed see answer to question 201 below.

## Question 202.

What is the WTO justification for Jordan's weight restrictions on imports of live sheep?

### **Answer:**

The Ministry of Agriculture stopped using the weight criteria. This was replaced by age criteria. Imported sheep should not be more than one year old.

## Question 203.

According to the response to question 78 of WT/ACC/JOR/9, the importation of all fresh fruits and vegetables from Israel and the Arab countries with whom Jordan has bilateral trade agreements are subject to a quarterly plan issued by the Agricultural Marketing Organization, which determines commodities, but not the quantities, which can be imported.

The ability of the Agricultural Marketing Organization to restrict or prohibit the importation of certain commodities from some WTO members during the seasons of production appears to violate GATT Article XI. How does Jordan intend to bring this practice into conformity with WTO requirements?

#### **Answer:**

Jordan will move towards elimination of this practice when it revises its protocol trade agreements where such a practice, which is reciprocal, is applied.

## Question 204.

The following products seem to need prior approval: rice, Halibuna powder milk, wheat and wheat flour, sugar, barley, corn (maize), frozen animal semen, live animals, chilled and frozen meat, potatoes, onion and garlic. Could Jordan inform us if at present other agricultural products need the prior approval?

#### **Answer:**

No other agricultural products need prior approval.

#### **Ouestion 205.**

Can Jordan confirm that the private sector is allowed to import wheat? If so, can it sell the wheat under normal market conditions?

#### **Answer:**

The private sector is allowed to import wheat, and it can sell it under normal market conditions.

#### **Ouestion 206.**

We seek confirmation that there are no import quotas on wheat, sugar, rice and dried milk, or other products.

#### **Answer:**

There are no import quotas on wheat, sugar, rice, and dried milk or other products.

## Question 207.

Jordan states that although the government has allowed the private sector to import wheat, importing is done by the Ministry of Supply as the private sector so far has not done so (reply to question 114 of WT/ACC/JOR/8). Is Jordan taking any measures to encourage the private sector to import wheat? If so, what is the nature of these measures and how are they administered?

#### **Answer:**

As it was mentioned in the reply to question 114 of WT/ACC/JOR/8, the private sector so far did not import wheat. The major problem facing the private sector is the storage of the huge quantities to be imported. To overcome this problem, the government has encouraged the private sector to import, and a cabinet decision was taken (effective 1 September 1997), permitting the private sector to utilise the storage facilities of the Ministry of Supply to store their imported quantities of wheat for two months and free of charge. In addition to that, the Ministry of Supply plans to rent its storage facilities to the private sector. This will allow the private sector importers of the products used to be imported by the Ministry of Supply to utilise its storage facilities versus charges.

## (b) Exports

#### **Question 208.**

Subsidies, including on food products, are discussed in a number of places in the memorandum including the introduction (reducing price subsidy of water removing price subsidies for wheat and fodder) and the section on Economic Policies, (the government subsidy for commodities is being reduced and for public institutions completely eliminated). Subsidies are also frequently raised in the question and answer documents. It is not clear which subsidies are in place and which ones have been removed or reduced. in response to a specific question, Jordan advised it has removed subsidies on some key items (wheat, sugar, rice and animal fodder), but there was no indication of when subsidies on other items would be removed.

Could Jordan advise when subsidies on these other items will be removed?

#### **Answer:**

Subsidies on wheat, sugar, rice, animal fodder have been removed. For price subsidy of water see WT/ACC/4 tables that will be supplied to WTO Secretariat before the next Working Party meeting.

## Question 209.

Jordan indicates that it does not grant export subsidies to agricultural products (reply to question 123 of WT/ACC/JOR/8). We would therefore expect subsidy commitments to be zero and that Jordan should provide a statement indicating this in the form of supporting table ES:1 in WT/ACC/4.

#### **Answer:**

Jordan is working on WT/ACC/4 and shall submit it before the next Working Party meeting.

## Question 210.

(WT/ACC/JOR/8, Question 123) Jordan noted that it does not grant any export subsidies to agricultural products. We commend Jordan for such a statement. Can Jordan confirm that export subsidies will be bound at 0 in the agriculture schedules.

#### **Answer:**

Jordan does not grant any export subsidies to agricultural products.

## Question 211.

(WT/ACC/JOR/9, Question 71) Jordan noted that "it does not give any export subsidies for agricultural products and does not intend to do so". We would welcome a commitment to agriculture export subsidies.

#### **Answer:**

Please see answer 210 above.

## Question 212.

According to the response to question 1 of WT/ACC/JOR/8, Jordan removed the generalized subsidy on wheat. Did Jordan also remove the subsidy on barley and animal feed?

#### **Answer:**

The subsidy on barley and animal feed was also removed.

#### (e) Internal Policies

## Question 213.

(WT/ACC/JOR/9, Question 80) Jordan was asked to explain what measures it uses to "encourage" agricultural exports. It noted that "there are no direct measures to encourage agricultural exports. However, some other measures could be considered to contribute to encouraging agricultural exports". Could Jordan please provide details of measures, direct and/or indirect, to encourage agricultural exports. How could the fact that the profits of agricultural income are exempted from income tax encourage agricultural exports?

#### Answer:

Jordan uses the following measures to encourage the agricultural products in general whether for local consumption or exports:

- agricultural extension services and scientific research methods to improve the productivity of the agricultural products;
- provide relevant information and data about external markets to the farmers through the Agricultural Marketing Organization.

Profits of agricultural income as a whole are exempted from income tax whether they accrue from domestic or external sale.

#### Question 214.

(WT/ACC/JOR/9, Question 71) Jordan noted that it is trying to reduce total agricultural trade deficits by "stimulating agricultural growth and by improving resource management and not through protectionist measures". Could Jordan provide more detail on how it plans to stimulate agricultural growth and improve resource management?

#### **Answer:**

Jordan plans to stimulate agricultural growth and improve resource management through the following procedures:

- (i) directing and encouraging the farmers toward growing agricultural products that have high economic value;
- (ii) increasing the efficiency of resources management by using scientific research and agricultural extension services methods.

## Question 215.

We would appreciate information on any measures that are being used to promote investment in livestock to reduce dependence on imported red meats.

#### **Answer:**

The measures being taken are:

- (i) execution of several projects to develop natural grazing lands and establish grazing conservations:
- (ii) encourage farmers to raise Shami goats and Awasi sheep, by offering farmers agricultural loans;
- (iii) supply the farmers with improved rams to improve the productivity of their sheep. These rams come from the Ministry of Agriculture research and development stations;
- (iv) provide extension services to farmers in the field of new technologies to increase meat production (increasing number of twins) in sheep. Teach them how to make use of agricultural by-products in mixing with feed products;
- (v) provide veterinary services through mobile veterinary clinics, and provide vaccination to sheep on location;
- (vi) increase the number of land dams and pools in grazing land to catch rain water.

## Question 216.

Please prepare a draft agricultural country schedule (WT/ACC/4), including information on agricultural subsidy and price support policies and supply the background information documenting the designations to the WTO Secretariat prior to the next meeting of the Working Party.

#### **Answer:**

The agricultural schedule WT/ACC/4 is in the final stages of preparation and will be submitted to the WTO Secretariat before the next Working Party meeting.

## **Question 217.**

We look forward to making a more detailed analysis of Jordan's agricultural support policies when it supplies the more comprehensive information and data as required in WT/ACC/4. We are specially interested in the recent three year period on which Jordan intends to base its agricultural commitments.

#### Answer:

The information will be supplied in WT/ACC/4.

## Question 218.

Jordan indicates that the prices of sugar, rice and halibuna are still subsidized to the food coupon holders (reply to question 69 of WT/ACC/JOR/9). What is the nature and level of the subsidy provided, who receives the subsidy, and how is it administered?

#### Answer:

The prices of sugar, rice and dried milk (Halibuna) are subsidised to the food coupon holder. The food coupon holder is part of the family whose monthly income in less than 500 JD.

The quantities which are partly subsidised are as follows:

- 1.5 kg. of rice/person per month.
- 1.5 kg. of sugar/ person per month.
- 0.25 kg. of dried milk/person per month.

The amount of this subsidy which is just part of the price of any of the above mentioned products as follows:

- 0.15 JD/kg. of sugar.
- 0.19 JD/kg. of rice.
- 0.84 JD/kg. of dried milk.

The whole process is administered by the Ministry of Supply with the cooperation of the Ministry of Finance. The year was divided into three thirds for 1997, the first two thirds were disbursed in products for the coupon holder (as it is described above), but the last third was disbursed as a cash money for the coupon holder. There is no price subsidy now. The Government replaced the price by cash transfers to those who deserve it and they buy their needs at market prices.

## V. TRADE-RELATED INTELLECTUAL PROPERTY REGIME

- 1. General
- (b) Membership of international intellectual property conventions and of regional or bilateral agreements

## Question 219.

Referring to question 134 in WT/ACC/JOR/8. When will Jordan become a member of the Berne Convention?

#### Answer:

The current Copyright Law No. 22 for 1992 was revised and amended to bring it, among other considerations, in line with the Berne Convention requirements. The amended Law was approved by the Council of Ministers and sent to the Parliament, and was given the status of urgency in dealing with it to ensure that it has a priority in being reviewed by Parliament. It is hoped it will be passed during 1998. Accordingly, it is expected that Jordan will be joining the Berne Convention in the very near future.

#### 2. Substantive Standards of Protection

## (a) Copyright and related rights

#### **Question 220.**

Please provide a translated copy of the Jordanian copyright law and proposed amendments to the WTO Secretariat prior to the next meeting of the Working Party.

#### **Answer:**

A copy is attached. (WT/ACC/JOR/12)

## Question 221.

According to the answer to question 134 of WT/ACC/JOR/8, the works of foreign authors that are published abroad are protected in accordance with Article 53 of the current law, by the principle of reciprocity and international conventions to which the country of the author and Jordan are both members.

How does Jordan intend to provide national treatment in copyright protection, for works not registered in Jordan, to foreign authors from countries, such as the United States, with whom Jordan does not have a reciprocal intellectual property rights agreement?

#### **Answer:**

Once Jordan signs the Bern Convention for the protection of literary and Art Works, as well as joining WTO or any international agreement in this field, and in accordance with Jordan's national legislation, the conditions of these agreements have the same force like Jordanian Laws, and will be enforced accordingly. Therefore, works of foreign authors whose countries are signatories to any of these agreements will be protected in Jordan and get the same national treatment like Jordanian Authors.

#### **Question 222.**

What is the legislative status of the amendment referred to in question 136 of WT/ACC/JOR/8, which will a provision that non-depositing of a copyright work at the Documentation Centre does not affect the author's rights stipulated in the law.

## Answer:

The amended copyright Law will cancel the text of Article 45 of the present copyright Law No. 22 for 1992.

A new text will be installed which reads as follows:

"The non-depositing of an authors work, will not infringe his rights stipulated in this Law".

## Question 223.

What is the current status of Jordan's application to accede to the Bern Convention? When does the Government of Jordan expect to complete the Bern Convention accession process?

One of the reasons for amending the present copyright Law No. 22 for 1992 is to bring the rules of this Law in line with the rules of the Bern Convention which Jordan intends to accede to. The Council of Ministers approved the amended draft Law and transferred it to the House of Representatives with a request for immediate review. The Parliamentary Committee concerned with the matter studied the Law and put it on the agenda of the Parliament for discussion in 1998. Once this Law is passed, Jordan will accede to the Bern Convention.

## Question 224.

According to the response to question 140, phonograms (sound recordings) and database compilations are not protected in the current copyright law, however, phonograms will be included in the amended version of the law.

Why is the Government of Jordan not including protections for database compilations in its draft amendments to the copyright law?

#### **Answer:**

The draft amended copyright Law includes a clear text for the protection of data base compilation in paragraph d of Article 3, and paragraph c of Article 5.

## **Question 225.**

According to the response to question 142 of WT/ACC/JOR/8, compulsory licensing of copyrighted works for translation into Arabic is being eliminated in the proposed amendments to the Copyright Law.

Please describe any other compulsory licensing provisions for copyrights that will remain in effect after enactment of the amendments to the Copyright Law.

## **Answer:**

According to the draft amended Law the rules concerning licensing for translation of printed foreign works to Arabic, are in conformity with the rules of the Annex to the Bern Convention concerning developing countries. (Please see paragraph a of Article 11 of the draft amended Law). This principle also applies to copyright of printed works for the purpose of learning.

## Question 226.

Jordan states that its Copyright Law also needs to be changed to meet the requirements of the TRIPs Agreement as regards the area of "limitations and exceptions" (Article 13 of the TRIPs Agreement). Could the Government of Jordan be more specific? What exactly are the changes required?

#### **Answer:**

Article 17 of the Copyright Law deals with the published work that may be used without authorization from the author subject to certain conditions. Paragraph (a) of this article was amended as follows: (Please note that amendment is underlined).

(a) Presentation, display, delivery, acting or playing of a work in a private family gathering or in an educational, cultural or social establishment. Bands belonging to the state may play musical works, provided that no pecuniary benefit is derived therefrom.

## Question 227.

Could the Government of Jordan clarify whether and how compilations of data are protected? In WT/ACC/JOR/8 it is stated that the protection of compilations of data is one area where Jordanian law needs to be amended to comply with the TRIPs Agreement. However, in WT/ACC/JOR/9 it is said that the protection is covered by the current Copyright Law).

#### **Answer:**

The current Copyright Law covers the compilation of data in general in article (3) (a) and (b). However, article (3) was amended by adding a new paragraph that specifically refers to compilation of data among other things. It reads as follows:

"Compilations of literary or artistic works as encyclopedias, anthologies and data collections which are in a machine readable form or in any other form and which, by reason of the selection and arrangement of their contents, constitute intellectual creations shall be protected as well.

Compilations of selected excerpts from poetry, prose, music or the like shall also enjoy protection provided that the said compilations mention the source of the excerpts and the author thereof without prejudice to the rights of authors with regards to each of the works which constitute part of the compilations".

The rights of the authors of the works referred to above are preserved in the amendment to article (5)(c) which reads as follows:

"authors of encyclopedias, anthologies, data collections and compilations which are protected according to the provisions of this law".

#### **Question 228.**

Can Jordan confirm that, in accordance with Article 14 of TRIPS and Article 18 of the Bern Convention, its new copyright law will provide retroactive protection for sound recordings still under protection in other countries and made up to 50 years ago?

#### **Answer:**

The amended draft copyright law provides such retroactive protection for sound recordings in article (22)(c) which reads; "The terms of protection for performers and producers of phonograms shall be 50 years starting on 1 January of the year following the year of performance or fixation of the phonogram as the case may be".

## Question 229.

Please provide clarification of the provisions that will be included in Jordan's new copyright law to bring it into compliance with the national treatment provisions of Article 3 of TRIPs.

Article 53 of the current copyright law provides such compliance. In addition, and in accordance Jordan's national jurisprudence the rules of any international or multilateral agreement Jordan is a signatory to, have the strength of the national law. Once Jordan joins Bern convention & WTO the relevant rules will be apply in Jordan.

## (b) Trademarks, including service marks

## Question 230.

Please provide a translated copy of the amended trademarks law to the WTO Secretariat prior to the next meeting of the Working Party.

#### **Answer:**

A translated copy of the amended trademarks law, will be provided to WTO Secretariat as soon as it is ready.

## Question 231.

Please provide a translated copy of all proposed, but not yet enacted, amendments to the trademarks law to the WTO Secretariat prior to the next meeting of the Working Party.

#### Answer:

See answer to 229.

#### Question 232.

Could the Government of Jordan give some indication of when the amended Trademark Law will enter into force?

## **Answer:**

The final draft of the Trademarks Law will be sent to the cabinet for their consideration and approval. Then it goes to parliament. This process might take from 6-12 months.

## **Question 233.**

According to the response to question 144 of WT/ACC/JOR/8, "the current trademarks law have been amended for compliance with TRIPs trademark obligations."

Have the amendment provisions described in the response to question 144 already been enacted into the trademarks law?

## **Answer:**

Yes all requested amendments were included in the amended law.

## **Question 234.**

What is the definition of a well-known mark in the amendment of the current trademark law?

#### **Answer:**

The well-know trademark has been mentioned in Article 8(12) of the new amended law and defined as "any trademark the knowledge of which has emerged outside the country of origin".

A well-known trademark will be protected according to the amended Trademarks Law and no one can register the well-known trademark for all goods and services other than the owner thereof.

## Question 235.

According to the response to question 149 of WT/ACC/JOR/8, the owner of a well-known mark not registered in Jordan can file an objection to the Trademark Registrar to obstruct registration of a mark. However, according to the response to question 147 of the same document, there is no definition for a well-known mark in the current law.

Do the proposed amendments to the trademarks law define well-known mark? What is the definition? In the absence of a definition of well-known mark, how does the Registrar decide whether the owner of a mark can validly object to the registration of a mark?

#### **Answer:**

A well-known trademark is defined as "any trademark the knowledge of which emerged outside its original country". The Registrar will decide in accordance with the provision of Articles 34 and 8 (6,7 and 10) of the current Trademarks Law. The text of Article 34 is given hereunder:

"No person shall be entitled to institute any proceedings to recover damages for the infringement of a trade mark not registered in the Hashemite Kingdom of Jordan, but he shall be entitled to institute proceedings to annul the registration of a trademark registered in the Hashemite Kingdom of Jordan by a person who is not the proprietor thereof, after that such trademark had been registered abroad, and provide that the grounds of his claim are those laid down in sub-sections 6,7 and 10 of section 8 of this law".

## Question 236.

The amended trademark law will contain a provision allowing for the Assignment of a trademark "with or without goodwill". Could the Government of Jordan explain what it understands by the term "goodwill", since Article 21 of the TRIPs Agreement foresees the assignment of a registered trademark with or without the *transfer of the business* (our emphasis) to which the trademark belongs?

#### **Answer:**

Article 19(9) of the amended law will allow the assignment of a trademark with or without good will. What is meant by good will, in accordance with the current law, the good will of the business concerned in the goods for which it has been registered, i.e. it is with full conformity with the scope of TRIPs.

#### Question 237.

What are the conditions in the amended law on which compulsory licences will be granted?

There are no provisions for compulsory licensing for the trademark in the amended or the current law.

#### **Ouestion 238.**

Against what actions, committed by a third party without the authorization of the right holder, is a trademark protected under Jordanian law?

## **Answer:**

According to Article 38 of the current and amended law the following actions are considered as unlawful.

Any person who with intent to deceive, commit or attempt to commit or aids or incites any other person in committing any of the following acts shall be liable upon conviction to imprisonment for a period not exceeding one year or to a fine not exceeding one hundred dinars, or to both such penalties:

- not being the proprietor thereof makes use of a trademark registered under this law or of an imitation of such trademark upon the same class of goods as that in respect of which the mark is registered;
- makes, engraves, prints, or sells, any plate, die, block, stamp or other representation of a duly registered mark or any other limitation thereof for the purpose of enabling any person, other than the registered proprietor of such mark, to make use of such mark or any limitation thereof in connection with goods of the same classification as those for which registration has already been obtained by another person;
- makes or causes to be made a false entry in the register kept under this law, or makes or causes to be made a writing falsely purporting to be a copy of any entry in any such register, or produces or tenders or causes to be produced or tendered in evidence any such writing, knowing the entry or writing to be false.

## Question 239.

Referring to questions 151 and 152 in WT/ACC/JOR/8. Please lay down the situation according to the amendment of the current Jordanian law.

#### Answer:

Article 38(1)(a) will be amended to read as follows:

"use of a trademark registered according to the provisions of the Trademarks Law or any imitation thereof".

Please note that in the current law it was a condition in Article 38(1)(a) that the infringement is considered for a registered trademark for the same goods. In the amended law Article 38(1)(a) this condition was excluded.

## Question 240.

Referring to question 159 in WT/ACC/JOR/8. What would be the answer according the amendment of the trademark law?

Compulsory licensing or a registered trademark is not possible in Jordan in accordance with the current law and/or the amended law. Only trademark licensing is allowed in Jordan according to Article 26(2) of the amended law.

#### **Question 241.**

Does the amended law provide a definition of the term "well-known"?

#### **Answer:**

Yes the amended law will contain special provisions for the protection of well-known trademark, which will be defined as "the marks the knowledge thereof has emerged outside the country of origin""

# **Question 242.**

Does Jordanian law recognise reasons for non-use? If so, what kind of reasons would be regarded as being valid?

#### Answer:

Yes the Jordanian law recognise non-use due to special circumstances in the trade.

# **Question 243.**

Jordan's reply to question 144 of WT/ACC/JOR/8 suggests that compulsory licences will be allowed for trade marks. Please clarify how this complies with Article 21 of TRIPs.

#### **Answer:**

In fact compulsory licensing for trademarks will not be allowed, and the Jordanian law will be in conformity with Article 21 of the TRIPs

#### **Ouestion 244.**

The reply to question 100 of WT/ACC/JOR/9 indicates that the registration of a trade mark may be maintained provided that its period of non-use does not exceed two years. Please clarify how this complies with Article 15 of TRIPs.

### **Answer:**

Proof of use of a registered trademark is not a prerequisite for its renewal. However, non-used trademarks will be subject to a cancellation action if non-use is proven to be for the last two years proceeding the date of the cancellation action. The amended draft law will change the period to three years as from the date of filing the cancellation action and not from filing date.

# (c) Geographical Indications

#### **Question 245.**

Would the registration of a trademark be refused or invalidated if such a trademark not only contains but also consists of a geographical indication? If so, please describe the conditions, if any.

#### **Answer:**

Geographical names are protectable in Jordan. In accordance with Article 8 (6 and 7) of the current Trademarks Law provided that they are represented in special forms and to not give false indication of origin.

#### (e) Patents

#### **Question 246.**

In its responses to several questions in WT/ACC/JOR/8 and WT/ACC/JOR/9, the Government of Jordan acknowledged serious deficiencies in its patent law, including exclusion from patentability for medical drugs and certain pharmaceuticals, as well process protection. Jordan also appears to have compulsory licensing provisions that are not in conformity with TRIPs requirements.

What is the status of the drafting of amendments to the patent law to bring it into conformity with WTO TRIPs requirements? Is Jordan currently receiving any technical assistance to expedite the drafting of the necessary provisions? When does the Government of Jordan expect to complete the drafting of amendments to its patent law. Please be prepared to update the Working Party at the next meeting on the current status of the Government's efforts to bring the Jordanian patent law into conformity with TRIPs obligations.

# **Answer:**

Jordan has finished the drafting of the first release of the amended Patents Law.

Please note that the amended law before its enforcement will go through the following stages:

- the text of the law should be studied by all related sectors;
- the text of the law should be studied by the constitutional council and the legal committee of the cabinet;
- the approval of the cabinet should be then obtained and further sent to the parliament for final approval;
- after Parliamentary approval, it has to be approved by His Majesty the King.

# Question 247.

How does the Government of Jordan intend to staff and equip the patent office to conduct patent examinations?

The Government is planning to establish a special independent department for intellectual property protection and the measures have been taken to staff and equip this department with the competent officials and equipment.

#### Question 248.

The response to question 108 of WT/ACC/JOR/9 seems to indicate that patents for pharmaceutical products will not be provided. Please could Jordan clarify how this complies with Article 27 of TRIPs and with the reply to question 174 of WT/ACC/JOR/8.

#### **Answer:**

Patents for pharmaceutical products will be protectable in accordance with the provisions of the new amended law, i.e. it will be with full conformity with TRIPs Article 27.

# **Question 249.**

Referring to question 164-174 in WT/ACC/JOR/8 and question 108 in WT/ACC/JOR/9. When does Jordan intend to make chemical products, especially medical drugs and pharmaceutical compositions of food, patentable? How does Jordan intend to comply with the TRIPS obligations contained in Articles 70.8 and 70.9 in this respect?

#### **Answer:**

Pharmaceutical compostions as well as food products will be patentable in accordance with the new amended law.

The law has been drafted and is under consideration by all competent authorities and sectors. In this respect please note the following:

- the protection of the final products of a patent which can be used as medical drugs, pharmaceutical compositions and food products will be started at the beginning of the year of the grace period Jordan is going to negotiate with Working Party members, taking into account that Jordan wishes to take advantage of the grace period given in Article 65 for the TRIPS Agreement for developing countries;
- the filing of patent applications that contain claims for medical drugs, pharmaceutical compositions and food products will be accepted as from the date of enforcement of the law.

# Question 250.

Could Jordan confirm that it will be amending its patent law to provide for a term of protection not less that 20 years from the date of filing?

#### **Answer:**

The period of protection will be amended to twenty years in the new amended law.

# Question 251.

Referring to question 110 in WT/ACC/JOR/9. What does "reasonable requirements of the public" mean?

#### **Answer:**

The satisfaction of the public requirements shall not deemed to have been achieved according to Article 22(5) of the Patent Law if:

- by reason of the default of the patentee to manufacture to and adequate extent and supply on reasonable terms a patented article, any trade or industry in the Kingdom is unfairly prejudiced or the demand for the patented article or the article produced by the patented proceed is not reasonably met;
- any trade or industry in the Kingdom is unfairly prejudiced by conditions attached by the patentee to the purchase or use of a patented article or to the working of the patented process.

# (g) Layout designs of integrated circuits

# Question 252.

According to the responses to questions in WT/ACC/JOR/8, Jordan does not have a law to protect layout designs of integrated circuits.

When does the Government of Jordan expect to enact legislation to satisfy the requirements of TRIPs Section 6 (Articles 35-38)?

#### **Answer:**

WIPO has been requested to draft the required law.

# Question 253.

According to the response to question 179 of WT/ACC/JOR/8, Jordan is planning to join the Washington Treaty on Intellectual Property in Respect of Integrated Circuits in seven years.

Why does the Government intend to delay its accession to the Washington Treaty for seven years?

#### **Answer:**

The Law needs to be studied carefully and the priority now is for the more urging laws.

# (h) Requirements on undisclosed information

# Question 254.

Please provide a translated copy of the civil law provisions relating to the protection of undisclosed information to the WTO Secretariat prior to the next meeting of the Working Party.

Sections 5 (814) and (1+2) 818 of the Jordan Civil Code of 1976 provide protection for trade secrets in the Employment Contracts.

Section 5 (814) stipulates that "Preserve the employers industrial and commercial secrets even after the termination of the contract and as prescribed by the agreement or custom."

Section (818) stipulates that:

- (i) If the worker shall perform work which permits him to gain knowledge of the secrets of the work and acquaintance with the customers of the establishment the two parties may agree that the worker shall not compete with the employer or participate in competitive work after the termination of the contract.
- (ii) But the agreement shall not be acceptable unless it is restricted in the time place and type of work to the extent necessary for the protection of the legitimate interests of the employer.

# Question 255.

Please describe the trade secrets that are protected under the civil law. Please describe the legal procedures and remedies available under the civil law for damages caused by unauthorized disclosure of trade secrets.

#### **Answer:**

See answer to question 247 above.

# Question 256.

Please describe any differences between the trade secrets protections available under existing Jordanian civil law and the requirements of Article 10*bis* of the Paris Convention, incorporated by reference in Article 39 of the WTO TRIPS Agreement.

#### **Answer:**

The provisions of secret information protection included in the Civil Code are in conformity with the TRIPS.

#### 4. Enforcement

# (a) Civil judicial procedures and remedies

# Question 257.

It is stated that the civil and criminal enforcement of copyright is contained in Articles 51 and 52 of the Copyright Law. Please describe in more detail the possibilities which are provided to enforce copyright.

Articles 46,47,48,49 and 50 have provisions how to deal with infringement of the rights of the author. Article 36 of the amended draft copyright Law gives the officers of the copyright office in the Department of the National Library the status of judiciary officers in the courses of implementing the provisions of this Law.

# Question 258.

Please explain in detail what kind of sanction for the infringement of well-known trademarks will be introduced by the amended trademark law.

#### **Answer:**

The sanction for the infringement of well-known trademarks is the same as for any registered trademark as explained previously. However, the use of a well-known trademark on goods and services not protected will be considered as infringement also.

# Question 259.

Please explain in more detail what kind of sanction for the infringement of patents is provided by the patent law.

#### **Answer:**

According to the current law, in an action for infringement of a patent the patents owner shall be entitled to relief by way of injunction and damages by court order.

In the amended law any third party imitates or uses a registered patent without the permission of the patentee, or falsely indicate on that the article sold by him is a patented one will be imprisoned for six months and pay a fine not less than JD 1,000-5,000. In addition, a civil action can be initiated for claiming damages according to the civil law.

# Question 260.

According to the response to question 183 of WT/ACC/JOR/8, the Commodities Mark Law No. 19 of 1953 provides the full range of relief required by TRIPs, including injunctive relief, damages, seizure and destruction of foreign goods, provisional relief, border relief and criminal sanctions.

Please provide a translated copy of this law to the WTO Secretariat prior to the next meeting of the Working Party.

#### **Answer:**

Copy of the Merchandise (Commodities Marks Law No. 19 of 1953) was sent to WTO Secretariat. (WT/ACC/JOR/12)

# (d) Any special border measures

# Question 261.

Referring to question 150 in WT/ACC/JOR/8. Under number 3 it is mentioned that customs officials have the right not to allow the entry of goods ... provided that a final decision has been taken regarding such a matter. Does this mean that there are not provisional border measures foreseen under Jordanian law?

#### **Answer:**

There are no provisional border measures foreseen under Jordanian Law, and to stop the importation of exportation of any infringing goods a final court order should be obtained first. The Minister of Industry and Trade after being notified of the court order shall send the court order to the customs authorities and ask them to stop the importation or the exportation of the infringing goods.

# 5. Laws, decrees, regulations and other legal acts relating to the above

# Question 262.

Referring to question 101-103 in WT/ACC/JOR/9. Does Jordan intend to comply with the system of protection for geographical indications, plant variety protection, layout designs of integrated circuits and requirements on undisclosed information, including trade secrets and test data according to the TRIPS Agreement? When?

#### **Answer:**

The current law provides for the protection of geographical names in accordance with Article 8(6 and 7) of the Trademarks Law provided that they are represented in special form and do not give false indication of origin.

However, Jordan is considering a Law that will cover geographical indications, layout designs, industrial designs, protection of undisclosed information and control of anti-competitive practices in contracted licences.

# VI. TRADE-RELATED SERVICES REGIME

#### 1. General

# Question 263.

What is the current status of the preparation of a response to WT/ACC/5? When will it be provided to the WTO Secretariat for review by the Working Party?

# **Answer:**

The WT/ACC/5 will be provided to WTO Secretariat before the next Working Party Meeting.

# 2. Policies Affecting Trade in Services

# **Horizontal Legislation**

#### **Question 264.**

Besides the maximum investment limits in the sections mentioned under (1) to (e), are there any more such limitations regarding foreign investment?

#### **Answer:**

On 1 September 1997, the Regulation for the Promotion of non-Jordanian Investment No. 39 of 1997, had entered into force after the introduction of new provisions relating to the maximum investment limits of foreign investments accordingly:

- (a) the sectors where a non-Jordanian investor may own no more than 50 per cent of any project or economic activity were reduced to just three sectors:
  - construction trading;
  - trading and trade services;
  - mining;
- (b) the minimum amount of non-Jordanian investment in any project should be JD 50,000, with the exemption of the participation in public shareholding companies.

#### **Question 265.**

Why is there such a provision as a minimum amount required for foreign investment? Does this provision only refer to projects mentioned under (a) to (c) or is it applicable to all projects with foreign investment involved?

#### **Answer:**

The provision of the minimum amount required for foreign investment was issued in a by-law pursuant to Article 24 of the Investment Promotion Law No. 16 of 1995, where the said article stipulates that a bye-law should be issued for the purposes of determining the minimum foreign capital allowed for investment and the maximum percentage of foreign ownership in certain projects and sectors.

The provision of the minimum amount required for foreign investment applies to all projects with foreign investment involved and not only to projects mentioned under (a) to (c).

# 3. Specific Services

# (a) Financial services

#### **Ouestion 266.**

According to WT/ACC/JOR/3, there are a number of limitations on the establishment of foreign banks and branches, including "a banking system capability to absorb establishing new banks."

Please elaborate on the meaning of this limitation, including any numerical limitations or economic needs tests that may apply to establishing a directly-owned bank branch. Are foreign-owned bank branches required to secure a licence from Jordanian authorities and hence also subject to the general criteria for receiving licences as outlined in WT/ACC/JOR/3?

This statement is not particular to foreign banks alone, it holds true for all new Banks. Licensing banks is justified by the need for these banks' services. New banks should offer new and innovative services or target certain unaddressed needs.

No numerical limitations exist concerning establishing directly-owned foreign banks' branches. In addition, currently all legislations and by-laws are being reformed and amended with the intention of issuing a new complete set. This overhaul of banking legislations will eliminate any remaining hurdles in the process of the complete opening up of the banking sector to foreign investors.

The newly amended legislation for the promotion of foreign investments (Regulation 39 for 1997), which came into effect on 1 September 1997, allowed non-Jordanians to fully own investments in all sectors of the economy (including banking) except for the following three sectors: mining, trading, and construction.

Further modifications of licensing procedures, which would apply to both foreign and domestic banks, are in the process of being developed along these lines:

- (i) capital requirement;
- (ii) the quality of management;
- (iii) innovative or novelty services.

# Question 267.

Also according to WT/ACC/JOR/3, any company wishing to establish a bank in Jordan must obtain a licence from the Central Bank of Jordan, which is granted upon a justified "economic need," and the bank must be a "public share holding company." Criteria for granting licences include: general particulars of the economy and banking system situation; study of capital market status; and, "services to be extended by the bank."

What is the rationale for applying this criteria? Please describe the types of legal entities subject to this licensing criteria. Is there a numerical limit on the number of bank licences that Jordan will approve for a wholly-owned bank subsidiary, or bank branch, or representative office?

#### **Answer:**

As mentioned in the answer to the question above most of these criteria come from existing legislation, which is being revised and changed. The new legislation being developed will subject both domestically and foreign owned banks to the same criteria. Again, it is imperative to emphasise the non-existence of any numerical constraints on any type of foreign banks. The only remaining distinction between domestic and foreign banks will be the requirement for the former to be a "Public share holding company". Such a requirement does not hold for the latter.

# Question 268.

Please specify the privileges of the "Housing Bank" and the "Industrial Development Bank".

As of 1 May 1997 the Housing Bank was relicensed and announced as a fully-fledged regular commercial bank under the name "The Housing Bank: A Commercial International Bank". Therefore, all privileges awarded to it by virtue of being a specialized credit institution were terminated by the Central Bank of Jordan.

Concerning the Industrial Development Bank, it is still one of the specialized credit institutions. Accordingly, the Central Bank of Jordan extends the bank advances at two percentage points below the effective rediscount rate for refinancing the handicraft fund, and at one percentage point below the effective rediscount rate for export promotion loans. However, the refinancing extended through this window is of limited amounts and scope.

#### **Question 269.**

What is meant by the licence granting criterium that considers "services to be extended by the bank?" Are certain financial services prohibited by foreign financial institutions (FFIs)? Are all financial services as defined in the GATS Annex on Financial Services permitted in Jordan and allowed to be offered by FFIs?

#### **Answer:**

What is meant by the licence granting criterium "services to be extended by the bank" is quality services that are considered an addition to what the market already has.

All financial services as defined in the GATS Annex on Financial Services are permitted in Jordan and are allowed to be offered by FFIs, except for item (j-iii) derivative products, which is permitted only for risk management purposes.

# **Ouestion 270.**

# Please define "public share holding company."

#### **Answer:**

The Companies Law, Law No. 22 of 1997, which came into effect on 15 June 1997 regulates the establishment, formation and legal framework of companies in Jordan. The Law offers the full definition and all other legal matters that relate to public shareholding companies.

The main features of this type of company which must be considered as an integral part of all related articles of the Law are:

- a public share holding company can be founded by any number of founders not less than two, who own shares that are tradable and transferable;
- the founders are of limited liability;
- the founders must not have a share of capital that exceeds 75 per cent of total capital. In case of banks, financial institutions, and insurance companies, the limit is 50 per cent and the number of founders must not be less than 50;
- the banking business cannot be conducted in any form other than that of a public share holding company if it is domestically incorporated;

- the minimum authorised capital for a public share holding company is JD 0.5 million.

Foreign companies can register a company in Jordan, or operate in the form of a regional office or branch.

# Question 271.

Does a registered company include a wholly-owned subsidiary of a foreign bank or securities firm? What limitations, if any, are imposed by Jordan on wholly-owned subsidiaries of a foreign bank or securities firm?

#### **Answer:**

Yes, a wholly-owned subsidiary of a foreign bank or securities firm can be registered as a foreign company operating in Jordan after it receives the required licensing from the CBJ.

There are no limitations imposed on wholly-owned subsidiaries of foreign banks or securities firms. Licensing criteria and other regulations apply to both domestic and foreign banks. According to the law, foreign companies operating in Jordan are treated on equal footing with domestic ones.

# Question 272.

According to WT/ACC/JOR/3, a non-Jordanian can own no more than 50 per cent of any project in, among other sectors, banking and insurance.

Please explain what constitutes a "project." Is this a 50 per cent limitation on the share that can be owned by a single investor, including a foreign bank investor? Can a domestic investor own a greater than 50 per cent interest in either the banking or insurance industries in Jordan? Please explain the application and rationale for a 50 per cent limitation on foreign share holding in banking and insurance projects, and any plans for its removal.

# **Answer:**

A project is any investment in any sector of the economy. The recently amended regulation for the promotion of non-Jordanian investments No. 39 of 1997, removed the 50 per cent limitation on foreign share holding in banking and insurance, thereby removing the distinction in this regard between domestic and foreign investors.

Furthermore, the CBJ is preparing a regulation which is expected to require prior approval for ownership in excess of a maximum limit that may be owned by a single investor. This limit is expected to apply equally to national and foreign investors.

# Question 273.

Foreign shareholders can be members of the board of directors, and be executive directors, in either a branch, regional office, or a registered Jordanian company. Are there limitations on the number of seats on a board which can be occupied by a foreigner or other voting or management limitations?

#### **Answer:**

There are no limitations on the number of seats on any company board of directors which can be occupied by a foreigner or other voting or management limitations.

# Question 274.

According to WT/ACC/JOR/3, licensed banks are limited to investing a maximum of 50 per cent of their foreign currency deposits in loans, and investing in various types of sovereign and corporate bonds and bills.

Please explain whether or not this limitation applies to both foreign and domestic licensed banks. Are there any other limitations imposed on FFIs in either lending activity or in the dealing in bonds or bills?

#### **Answer:**

This limitation, which was introduced on 22 August 1995 as a prudential measure which aimed at securing the soundness of banks and applies equally to national and foreign banks.

# Question 275.

According to WT/ACC/JOR/3, "authorized" banks are permitted to enter into forward contracts in major currencies and each authorized dealer is subject to a minimum quantitative limit.

What criteria do authorities apply in deciding whether or not to authorize a bank to deal in forward contracts? What is the minimum quantitative limit each bank is authorized to deal in? What is the rationale for authorizing only certain banks and limiting the amount a bank can deal in? Can foreign financial institutions be authorized to engage in forward contracts? Please explain how this limitation is consistent with GATS Article XVI.

### **Answer:**

Domestic and foreign banks alike are permitted to enter into forward contracts. No minimum, quantitative limit according to the new regulations, is required nor is any bank excluded from these forward contracts.

The articles that regulate forward dealings are as follows (they apply to both domestic and foreign banks):

- Article 5 (a) Licensed banks may purchase any amount of foreign currencies from their customers against the Jordanian dinar on a forward deal basis.
  - (b) Licensed banks may sell foreign currencies to their customers against the Jordanian dinar on a forward deal basis to pay for imports to the Kingdom.

# (b) Telecommunications Services

# Question 276.

Could you please detail the plans to liberalize the telecommunications market? Could you give some information on future steps of liberalization in the telecommunications market envisaged?

### **Answer:**

The telecommunication Regulatory Commission (TRC) was established as an independent regulatory body under the Telecom Law which came into force in October 1995. The TRC has issued the following licences:

- one GSM Service Operator;
- nine Data Service Providers;
- two Paging Operators;
- two Pay Phone Operators;
- three News Service Providers;

all of which are fully owned by private companies as a joint venture with foreign companies, and none of them has any link with the National Operating Company, Jordan Telecom Company (JTC).

The next milestone is to issue the following Licences through a public tender in accordance with Government Policy:

- two Trunking Operators;
- a second GSM Operator;
- privatization of JTC.

# Question 277.

Could you please describe the economic structure of the telecommunications market in a more detailed manner (e.g. listing a monopoly and exclusive rights, precise scope of the monopoly of TCC, number of existing supplies besides TCC etc.)?

### **Answer:**

An independent Telecommunication Regulatory Commission (TRC), has been established under the Telecom Law 1995 to facilitate a competitive market environment. In particular, to improve interconnection, resale, leased lines and the quality of services. The private sector (local and foreign investors) is already playing a substantial role in the sector as follows:

# (a) <u>Cellular Mobile Telephone (GSM)</u>

GSM licence has been issued to a fully owned private company, not related to the National Operator Company, Jordan Telecom Company-PSTN (JTC).

The second licence will be issued before the end of 1998.

# (b) <u>Paging service</u>

Two licences have been issued to fully owned private companies not related to the Jordan Telecom Company (JTC).

# (c) Payphone Services

Two licences have been issued to fully owned private companies not related to the Jordan Telecom Company (JTC).

# (d) <u>Data Services</u>

Data service has been liberalized, now we have ten operators fully owned by private companies not related to the Jordan Telecom Company (JTC)

# (e) <u>Trunking Service PAMR</u>

Two licences will be issued to private companies through an open public bidding.

# **PSTN Service**

The Jordan Telecom Company (JTC) which is fully owned by the Government is now the monopolistic provider of public switched voice service and leased lines until 31 December 2002.

#### **Question 278.**

Are there exclusive rights in the field of mobile telephony and date communication?

#### **Answer:**

See the answer to question 277 above.

# VII. INSTITUTIONAL BASIS FOR TRADE AND ECONOMIC RELATIONS WITH THIRD COUNTRIES

1. Bilateral or Plurilateral Agreements Relating to Foreign Trade in Goods and Trade in Services

# Question 279.

Jordan states that it will not renew the tariff exemptions under the current bilateral trade agreements when these agreements expire. What bilateral agreements with tariff exemption provisions are currently in force?

#### **Answer:**

Please see answer to question 168 in WT/ACC/JOR/9 and answer to question 188 in WT/ACC/JOR/8.

### **Ouestion 280.**

# When will each of these agreements expire?

#### **Answer:**

The time has not been set yet, but it will be discussed in future joint meetings between Jordan and the countries that have such preferential trade agreements. It is the intention of Jordan to move to free trade area arrangements.

# Question 281.

According to the response to question 1 of WT/ACC/JOR/8, the Government of Jordan has reviewed the current tariff exemption policies and has ceased authorizing any new exemptions. The exemptions existing under the current bilateral trade agreements will also not be renewed once the agreements currently in force expire.

Please list each bilateral trade agreement currently in force and the date that it will expire.

#### **Answer:**

Please see answer to question 168 in document WT/ACC/JOR/9.

# Question 282.

Is Jordan party to, or in the process of forming, any trade arrangements that it will be seeking to justify under Article of the GATT 1994 or Article V of the GATS?

#### **Answer:**

The question does not mention which article of GATT 1994 but it is probably referring to Article XXIV. Jordan signed the Arab Free Trade Area Agreement on 1 January 1998 which can be justified under the enabling clause and under article XXIV of GATT 1994. The Agreement does not deal with services.

# Question 283.

(WT/ACC/JOR/9, Question 6) Jordan noted that is has bilateral trade agreements with ten Arab countries and Israel. Some items are given preferential treatment under those agreements. Could Jordan please provide a list (at the 6 digit HS level) of items that are given preferential treatment and note the tariff levels?

#### **Answer:**

The following table shows the items that are given preferential treatment in the bilateral agreement between Jordan and PNA. (Palestinian Products imported to Jordan).

Product	H.S. Code
Sausages and similar products of meat, meat offal or blood food preparations based on these products	16.01
Food preparations not elsewhere specified or included (Halawa)	21.08
Insecticides	38.08
Printing ink	32.15
Base metal mountings, fitting and similar articles suitable for furniture, doors, staircase	83.02
Fruit juices and vegetables juices	20.09
Solar heating machinery	84.19
Floor coverings for cars (vulcanised rubber)	40.18
Women's slips, petty coats, briefs, panties, nightdresses pyjamas	Chapter 62,61
Executive cases	42.02
Foot wear, gaiters and the like	Chapter 64
Electrical apparatus for switching or protecting electrical	85.36
circuits, or for making connections to, or in electrical circuits	85.35
Machinery for the preparation of coffee	84.38
Table, kitchen or other household articles and part thereof of aluminum	78.15
Boards for electric control	85.37
Millstones, grindstones, grinding wheels without frameworks,	88.4
for grinding sharpening ,polishing, truing or cutting.	68.5

Product	H.S. Code
Men's, boy and babies clothing and underpants	Chapter 62.83
Wire, rods, tubes, plates electrodes and similar product	83.11
Weighing machinery	84.23
Hand saws, blades for saws of all kinds	82.02
Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen	20.05
Nuts fresh or dried, whether or not shelled or peeled	08.02
Dried vegetable	07.12
Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid	20.01
Ginger, saffron, turmeric, thyme, bay leaves	09.10
Soups	21.04
Prepared tunas	16.04
Smoked fish	3.05
Prepared salad	21.05
Screws	73.18
Statuettes and other ornamental ceramic articles	69.13
Ceramic tableware, kitchen ware other household articles	69.12
Sand stone merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shapes	2516.22
Natural honey	04.09
Jams	
Vinegar	22.09
Soap	34.01
Live sheep and goats	01.04
Edible offal of sheep	02.06
Knitted or crocheted fabrics	60.02
Wine of fresh grapes	22.04
Marble crude or roughly trimmed	2515.11
Printed books	49.01
Articles for fun fair	95.04
Glass ware of a kind used for table, kitchen, toilet	70.13
Smoking pipes	96.14
Unglazed ceramic, mosaic articles	69.07
Furnishing articles	63.04
Dolls	95.02
Saddler and harness for any animal	42.01
Articles of woods	44.21
Knives	82.11
Worked ivory	98.01
Wood marquetry and inlaid wood	44.20

The following table shows the items that are given preferential treatment by Jordan and Saudi Arabia in the bilateral agreement between the two countries.

# Full Exemption

Product	H.S. Code
Live chicks	01.05
Frozen poultry	0207.21 0207.22 0207.23
Other yogurt	0403.90
Butter and other fats derived from milk	04.05
Cheese and curd	04.05
Birds' eggs for hatching	04.07
Natural honey	04.09
Other vegetable saps and extracts	1302.19
Lard stearin	15.03
Vegetable oil	15.07 - 15.15
Vegetable fats and oils and their fractions	15.1590 and 15.16 20
Other sugar confectionery	17.04.90
Food preparations of flour or malt extract for infant use	19.01
Homogenized vegetable	20.05.10
Homogenized preparation	20.07.10
Other prepared foods (chips)	19.05.90
Tomatoes prepared or preserved	20.02
Mushrooms and truffles	20.03
Other vegetables prepared	20.04
Other vegetables prepared or preserved not frozen	20.05
Fruit juices and vegetable juices	20.09
Prepared baking powders	21.02.30
Vinegar and substitutes	22.09
Preparation of a kind used in animal feeding	23.09
Sulphur of all kinds	25.03
Chalk	25.09
Natural calcium phosphates natural aluminum calcium Phosphates and phosphatic chalk	25.10
Marble crude or roughly trimmed	25.15.11
Marble merely cut	25.15.12
Gypsum	25.20
White cement, whether or not artificially coloured	25.23.21
Other alkali or alkaline - earth metals	28.05.19
Hydrogen chloride (hydrochloric acid)	28.06.10
Sulphuric acid	28.07
Ammonia	28.14
Sodium metasilicates	28.39.11
Other silicates	28.39.19
Ethylene	29.01.21

Styrene Ethyl chloride Vinyl chloride Sulphonated nitraded or nitrosated derivatives of hydrocarbon	29.02.50 29.03 29.03
Vinyl chloride Sulphonated nitraded or nitrosated derivatives of hydrocarbon	
Sulphonated nitraded or nitrosated derivatives of hydrocarbon	29.03
	29.04
Methanol (methyl alcohol)	29.05.11
Propylene glycol	29.05.32
Phenol Other halogenated	29.07.11 29.80
Acetone	29.14.11
Acetic acid	29.15.21
Esters of methacrylic acid	29.16.14
Carboxylic acids with additional oxygen	29.18
Carboximide-function compounds	29.25
Hetrocyelic compounds	29.33
Other organo-inorganic compounds	29.31.00
Melamine	29.31.61
Other acyclic hydrocarbons	29.01.29
Human and veterinary medicines	30.3,30.4
·	·
Other wadding gauze, bandages and similar articles	30.05.90
Fertilizers	chapter 31
Paints and varnishes	32.08-32.12
Printing ink	32.15
Soap	34.01
Organic surface-active agents	34.02
Gelatin	35.03.00
Matches	36.05.00
Photographic paper	37.03
Insecticides, rodenticides, fungicides	38.08
Ethylene glycol	29.05.31
Phenolic resins	39.09.40
Polyacetals, other polyethers and expoxide resins	39.07-39.14
Other plates, sheets, film, foil and strips of plastics	39.21
Polyethylene having a specific gravity of less than 0.94	39.01.10
Polyethylene having a specific gravity of 0.94 or more	39.01.20
Polymers of styrene	39.03.11 and 39.03.19
Polymers of vinylacetate of other vinylesters	39.05
Polymers of vinyl chloride	39.04
Acrylic polymers	39.06
Petroleum resins	39.11
Synthetic rubber	40.02
Other basketwork, wickerwork	46.02.90
Cigarette paper in the form of booklet	48.13.10
Cartons, boxes, cases, bags and other packing contains of paper	48.19
School books	48.20

Product	H.S. Code
Man-made filaments	Chapter 51-Chapter 54
Woven fabrics of carded wool or of carded fine animal hair	51.11-51.12
Cotton sewing thread	52.04-52.07
Embroidery in the piece, in strips or in motifs	58.10
Twine, cordage, ropes and cables whether or not plaited or braided	56.07
Knitted or crocheted fabrics	Chapter 60
Articles of apparel and clothing accessories knitted or crocheted	Chapter 61
Curtains	63.02
Other furnishing articles	64.04
Other hats and headgear	65.05.90
Floor clothes-dish-cloths dusters and similar cleaning clothes	63.07.10
Outer soles and heels of rubber or plastics	64.06.20
Building stone	68.02
Articles of cement	68.10
Other refractory ceramic goods	69.03
Ceramic pipes	69.06
Float glass and surface ground or polished glass	70.05
Glass bottles jars	70.10
Glass fibres	70.19
Pig iron and spiegeleisen in pigs, blocks or other primary forms	72.01
Tubes, pipes and hollow profiles seamless of iron	73.04-73.06
Tube or pipe fitting of iron or steel	73.07
Other articles of iron steel	73.26.90
Reservoirs tanks, vats and similar containers for any material of iron or steel	73.09
Containers for compressed or liquefied gas of iron or steel	73.11
Screws	73.18
Springs and leaves for springs of iron or steel	73.20
Stoves	73.21
Table kitchen or other household or articles and parts	73.23
Sanitary ware and parts thereof of iron or steel	73.24
Other articles of iron or steel	73.26
Copper bars, rods and profiles	74.07
Other aluminum cans	76.12.90
Table kitchen or other household and other parts of aluminum	76.15.10
Other articles of aluminum	76.16.99
Filing cabinets	83.04
Wire, rods used for soldering	83.11
Pumps for agriculture	84.13.81
Air conditioning machines	84.15
Solar heaters	84.19.19
Oil or petrol-filters for internal combustion engines	84.21.23
Intake air filters for internal combustion engines	84.21.31
Parts of mechanical appliances	84.24.90
Lifts and skip hoists	84.28.10

Product	H.S. Code
Poultry incubators and brooders	84-36-29-84.36.21
Crushing or grinding machines	84.74.20
Ballast for discharge lamps or tubes	85.04.10
Electric instantaneous or storage water heaters and immersion heaters	85.16.10
Electrical apparatus for switching or protecting electrical circuits or for making connections to or in electrical circuits	85.35 and 85.36
Insulated wire, cable	85.44
Electrical insulators for any materials	85.46
Baby carriages	87.15
Other vehicles	87.10.80
Electricity meters	90.28.30
Liquid meters	90.28.20
Seats	94.01
Other furniture and parts thereof	94.03
Mattresses	94.04.21 and 94.04.29
Worked ivory, bone, horn antlers, coral and other animal carving material	96.01
Brushes	96.03
Bicycles	87.12
Babies prams	95.01
Ball point pens	96.08.10

# 66 Per Cent Duty Exemption

Products	H.S. Code
Mineral waters	22.01
Undenatured ethyl alcohol	22.07
Undenatured ethyl alcohol of an alcoholic strength by volume of 80 per cent vol. or higher	22.07.10
Ethyl alcohol and other spirits denatured of any strength	22.07.20
Other undenatured ethyl alcohol of an alcoholic strength by volume less than 80 per cent vol.	22.08.90
Solid sodium hydroxide	28.15.11
In aqueous solution (soda lye or liquid soda)	28.15.12
Other hypochlorites	28.28.90
Perfumes and toilet waters	33.03-33.07
Polypropylene	39.02.10
Articles for conveyance or packing of goods of plastics	39.23-39.24
Suit-case, trunks, vanity-cases, executive cases, brief cases	42.02
Other articles of wood	44.21.90
Doors and their frames and threshold	44.18.20
Carpets and other textile floor coverings	Chapter 57
Footwear	64.01-64.05
Rock wool	68.06

Products	H.S. Code
Glass mirrors	70.09
Angles shapes and sections	73.01.20
Prefabricated building	94.06.00
Structures and parts of structures of iron or steel	73.08
Other structures of iron or steel	73.08.90
Nails	73.17
Radiators for central heating	73.22
Base metal mounting fittings and similar articles suitable for furniture, doors and windows	83.02
Refrigerators freezers	84.18
Dish washing machines	84.22
Weighing machinery (scales)	84.23
Drying machines	84.51
Primary cells and primary batteries	85.06
Electric accumulation including separators therefor	85.07
Aerials and aerial reflectors	85.29
Other apparatus	85.31.10
Linings	87.08.31
Other mounted brake linings	87.08.39
Radiators	87.08.91
Silencers and exhaust pipes	87.08.92

The following table shows the items that are given preferential treatment by both countries in the bilateral agreement between Jordan and Israel.

# 100 Per Cent Tariff Duty Reduction

Product	H.S. Code
Vegetable oil	511-1513
Margarine	151710
Fatty acids	1519
Glycerin	1520
Chocolate	180620
Chocolate	180630
Chocolate	180690 ex
Mineral water	220110
Animal feed	ex 2309 ch 23
Animal feed	23091090 2309909
Glass ore	2506
Kaolin	2507
Gypsum	2520
Cement	2523
Feldspar	252910
Chlorine	2801

Product	H.S. Code
Calcium carbonates	2836
Pharmaceutical products	3002-3004
Pharmaceutical products	3006
Paints	3208
Paints	3209
Paints	3210
Painters fillings	3214
Inks	3215
Glues	3501
Diagnostic reagent	3822
Alkide resins	390750 ex
Roes, yarns of plastic	ex.90603916
Yarns	5306-5308
Textile fabrics	5309-5310
Heater wicks	5908
Belts	5910
Footwear upper	640610
Umbrellas	6601
Marble tiles and building stones	6802
Rolls of bitumen and asphalt	6807
Roofing tiles	690510
Metal pipes	7304
Copper pipes fittings	7412
Kitchen and tableware	7615
Furniture accessories and locks	8301-8302
Pumps and compressors	8413-8414
Bakery equipment	841720
Chillers and cooling equipment	84186960
Coffee grinding and roasting machines	8419 ex
Car filterse	ex 8421
Agricultural ploughs	843210
Bakery equipment	843810
Moulds	8480
Food mixers	850940
Hair driers	851631
Video cassette recorders	8521
Audio video cassettes	852310
T.V. T.V. antennas and satellite dishes	8528 8529
Electric bells	853180
Lenses Lenses	9001
Lenses	9001
Medical syringes	901831
Children's toys	9501
( - · · · · · · · · · · · · · · · · · ·	9502

Product	H.S. Code
Children's toys	9503
Empty gelatin capsules	9602ex, 10590ex
Ball point pens and pencils	960810

# 50 per cent Tariff Duty Reduction

Product	H.S. Code
Chewing gum	170410
Sweets and confectionery	170490
Halawa	7049010
Dry yeast	2102000
Alcoholic beverages	2208
Animal feed	2309
Tobacco and cigarettes	24-ch
Fertilisers exc. ammonium fertiliserc	31-ch
Perfumes	3303
Cosmetics	3307
Detergents	3401-3402
Glues	350520
Pesticides	3803
Plastic pipes	3917
Kitchen and tableware	3924
Fibre glass (tanks) and swimming pools products	3925
Rubber products	4014-4017
Luggage and suitcases	420210
Leather garments and products	4203
Computer forms	ex 4811-4823
Labels	4821
Non wovens for industry	5603
Die-cutters, grinding and polishing stones	6804
Ceramic tiles	6908
Sanitary ware	6910
Lab.utensils	7017
Fibre glass products	ex 2090,31907019
Metal pipes	7306
Metal pipes	7306
Steel meshes	7314
Gas heaters, cooker and ovens	7321
Copper bars	7407
Metal wire	7407
Copper pipes fittings	7412
Aluminum profiles	7604
Steel safes	8303
Air-conditioning equipments	8415

Product	H.S. Code
Elevators	8428
Washing and ironing machines	845130-40
Electric accumulators	8507
Brake pads	8708,4016
Frames for spectacles	9003
Furniture	9401
Furniture	9402
Furniture	9403
Mattresses and fillings	940429
Brushes and sweepers	9603
Disposable gas lighters	9613110

# 30 per cent Tariff Duty Reduction

Product	H.S. Code
Glues and binding materials	3506
Matches	3605
Ropes-yarns of plastic	3916
Thermo pipes	3917
School supplies of plastic	392610
Conveyor belts	4010
Articles of rubber	4016
Filter blocks of paper pulp	4812
Card board boxes	4819
School note books	4820
Yarns	5106-5110
Textiles (fabrics)	5111-5113
Yarns	5205-5207
Textiles (fabrics)	5208-5212
Yarns	5402-5407
Textiles (fabrics)	5408
Yarns	5509-5511
Textiles (fabrics)	5512-5516
Clothing	61,62 chaps.
Blankets	6301
Building blocks and bricks	6810
Glass sheets and glass sheets used for automobiles	7004-7005-7007
Steel bars for buildings	7214-7215-7217
Conveyor belts	ex 7314
Nails, bolts screws and locks	7317-73118-7320
Ladders (metal and aluminum)	7326-7616
Central heating and steam boilers	8402-8403
Chillers and cooling equipment	8418
Solar energy heaters	8419

Product	H.S. Code
Water filters	8421 ex
Taps, cocks, valves	8481
Electrical transformers	8504
Electric water heaters	8516 ex
Electrical switches and breakers, electrical sockets	8535-8536
Electrical cables and wires	8544
Mattress supports	9404203

# Question 284.

In WT/ACC/JOR/8 (reply to question 42) Jordan has provided examples of agricultural products exempt from customs duties under bilateral trade agreements with Arab countries, Israel and the Palestinian National Authority. Can Jordan confirm that the products listed are the only products exempt from such duties?

#### Answer:

These are the only products exempted under the agreement with Lebanon. There are some variations from country to another.

Please find below the agricultural products that Jordan imports from the countries that it has agricultural agenda with excluding Lebanon which is found in answer to question 42 in WT/ACC/JOR/8. They are Yemen, Oman, National Palestinian Authority and Israel.

Jordan's imports according to agricultural agenda from:

# **Oman**

Product	Period of Importing
White pumpkin	1 - November – April
Yellow pumpkin	1- January – April
Lemons (Lome kind)	June – July
Dates	all year
Omani gum	all year
Fresh and dry cocoa nuts	all year
Avocado	July- August

# Yemen

Product	Period of Importing
Papayas	All year
Mango	1 April - 30 July
Qishta (fruit)	1 April - 30 August
Okra	1 December - 31 March
Bananas	1 to 3 July

# National Palestinian Authority

Product	Period of Importing
Guavas	1 September to end of season
Dates	All year
Lemons	15 April to end of season
Valencia oranges	15 April to end of season
Shamouti oranges	1 March to end of season
Grapefruit and Pomalo	15 January to end of season
Table grapes	1 November to end of season
Grapes for processing	According to need
Bananas	According to need
Green almonds	During the season
Honey	All year
Fresh fish	All year
Sweet potato	All year
Cactus fruit	During the season
Various small plants	According to season
Citrus fruit for processing	According to need
Onions & Potatoes	According to need
Small onions for planting	According to need

# Israel:

There is no specific list. Jordan imports from Israel according to need. Israel in return imports an amount equal to 50 metric tons from agricultural products according to its needs.

# Question 285.

Are these seasonal arrangements subject also to quantitative restrictions?

#### Answer:

No they are not subject to quantitative restrictions. Israel puts a ceiling of 50 tons on what it imports from Jordan.

# **Question 286.**

Can Jordan confirm that this preferential treatment is provided only to those countries listed?

#### **Answer:**

This preferential treatment is provided to the countries referred to in answer to question 269 above.

# Question 287.

What MFN treatment does Jordan provide for those products?

# **Answer:**

These products can be imported from all other countries and they have to pay the MFN tariff rate.

# 2. Economic Integration, Customs Union and Free Trade Agreements

#### **Question 288.**

Please give details of each preferential agreement if such information has not already been notified to WTO by WTO Members.

### **Answer:**

Please see answer to questions 163 and 168(m) in WT/ACC/JOR/9.

# Question 289.

In the reply to Question 163, WT/ACC/JOR/9, Jordan states that they "lately initiated dialogue with most of these countries to end protocol trade and move toward free trade on a bilateral basis" Question 167, WT/ACC/JOR/9. Please give details of progress on the modification of the Agreement for Facilitating and Developing Trade Exchange Among Arab States to a Free Trade Area Agreement.

The Agreement for Facilitating and Developing Trade Exchange Among Arab States has been modified and it is now called Arab Free Trade Area. Seventeen Arab countries signed the Agreement. The implementation should start as of 1 January 1998. So far Morocco, Tunisia, Libya, Kuwait, Egypt, Bahrain and Jordan have announced their commitment to start implementation of the Agreement on reciprocal basis. Tariff between member countries will be eliminated over a ten year period at 10 per cent annually.

# Question 290.

Please provide a translated copy of the Jordan-Lebanon Agreement to the WTO Secretariat prior to the next meeting of the Working Party.

#### **Answer:**

We have the agreement only in Arabic. If you like to have it in that form we will provide it to you.

# Question 291.

(Question 171, WT/ACC/JOR/9.) Has the preferential trade agreement with Lebanon now been reviewed? If so, please provide details.

#### **Answer:**

The preferential trade agreement with Lebanon has not been reviewed yet.

#### **Question 292.**

Please provide a translated copy of the Jordan-Iraq Trade Agreement to the WTO Secretariat prior to the next meeting of the Working Party.

# **Answer:**

The bilateral agreement with Iraq is like any standard bilateral agreement with other Arab countries. However, the Trade Protocol which is part of the agreement fixes the yearly total value for goods to be exported to or imported from Iraq.

The imports from Iraq are crude oil and the exports to Iraq are goods allowed under the UN Programme oil for food.

# Question 293.

Please provide a translated copy of the Jordan-European Communities Partnership Agreement to the WTO Secretariat prior to the next meeting of the Working Party.

# **Answer:**

A copy will be provided as required.

# Question 294.

According to the response to question 191 of WT/ACC/JOR/8, the Jordan-European Communities Partnership Agreement excludes some products originated in the EC from preferential treatment. Agricultural products will have a different set of measures for entry into the European Communities Market.

Please identify the EC products, including HS numbers, that are excluded from the partnership agreement.

#### **Answer:**

See chapter 2 of EU-Jordan agreement on agricultural products and protocol 2 attached to that agreement, which concerns the arrangements applicable to the importation into Jordan of the agricultural products originating in the community. (See also article 10 of the agreement).

# Question 295.

Please identify the agricultural products, including HS numbers, that are subject to a different set of measures in the EC Market. Please describe the measures that apply to each of these products.

#### **Answer:**

See answer to question 123 above.

#### **Question 296.**

What percentage of the total amount of goods imported from the European Communities receives preferential access pursuant to the partnership agreement? What is the trade-weighted average tariff rate applicable to imports from the European Communities pursuant to the partnership agreement?

#### **Answer:**

The partnership agreement is expected to become effective in 1999, and after that we will have information available that will help us address such inquiries.

# Question 297.

(Question 173, WT/ACC/JOR/9.) When will the Free Trade Agreement between Jordan and Egypt be effective? Please provide information on the percentage of trade covered by (a) duty free trade and (b) tariff reductions.

# Answer:

The Free Trade Area Agreement between Jordan and Egypt is not effective yet, because Egypt has not ratified the agreement.