



National U.S.-Arab Chamber of Commerce
الغرفة التجارية العربية الأمريكية الوطنية

H.M. KING ABDULLAH'S VISIT TO WASHINGTON CATALYZES JORDAN – U.S. BUSINESS COOPERATION

*U.S.-Arab Chamber and Embassy of Jordan Co-Host Events
for Top Executives of U.S. and Jordanian Companies*

*U.S. Ambassador Says Top Priority of U.S. Embassy is
Promoting Private Enterprise Through Jordanian – American Partnerships*

WASHINGTON, DC – His Majesty King Abdullah Bin Hussein of Jordan paid a historic visit to the United States this week, and the National U.S.-Arab Chamber of Commerce (NUSACC) was privileged to support the business delegation accompanying His Majesty with events designed to promote commercial relationships between the United States and the Hashemite Kingdom of Jordan. NUSACC helped to organize two events in partnership with the Jordanian Embassy: a welcome reception for the Jordanian delegation and a breakfast roundtable discussion for Jordanian and U.S. business leaders. In addition, NUSACC supported a luncheon – hosted at the Jordanian Embassy by Her Excellency Dr. Alia Hatoug Bouran, Jordan's Ambassador to the United States – in honor of His Majesty the King and in support of the U.S. – Jordan Business Alliance.



David Hamod, President and CEO of NUSACC,
pays his respects to
His Majesty King Abdullah Ibn Al-Hussein.

“Our Chamber was honored to support the visit of His Majesty to Washington by helping to strengthen commercial ties between our two nations,” said David Hamod, President & CEO of NUSACC. “Jordan’s stability at a time of great upheaval in the region makes the Hashemite Kingdom more attractive than ever as a trade and investment destination. It is no exaggeration to say that we are looking at a whole new level of U.S. – Jordan business opportunities, the scale of which we have never seen before.”

King Abdullah’s visit is one of several initiatives in recent months that are strengthening U.S. – Jordan relations. The Jordan – U.S. Business Forum, a biennial event that was held last month in Amman, attracted nearly 300 participants, including scores of U.S. companies. (NUSACC participated actively in this



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event which, in the words of King Abdullah, was “successful by all measures.”) On the heels of that Forum, President Barack Obama visited Amman, sending a strong signal about the importance of the U.S. – Jordan relationship “at a time of so much change and tumult in the region,” in the words of President Obama. This week’s visit to Washington by King Abdullah was “extremely positive,” according to the Jordanian monarch, who gave special attention to the situation in neighboring Syria. Official estimates for the

number of Syrian refugees in Jordan exceed 500,000 persons, equal to 10 percent of Jordan’s population.

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The Honorable Stuart Jones (left), U.S. Ambassador to Jordan, and Mr. Fawaz Bilbeisi, Economic Counselor & Director at the Embassy of Jordan, highlight business opportunities in Jordan.

A business roundtable discussion – co-hosted by NUSACC and the Embassy of Jordan – brought together senior executives of U.S. companies with their counterparts in Jordan. The Hon. Stuart E. Jones, U.S. Ambassador to Jordan, provided opening remarks. “We believe that this business partnership benefits the people of the United States and the people of Jordan,” he noted, “resulting in trade being boosted ten times over ten years and creating 50,000 jobs in Jordan.”

Ambassador Jones highlighted the importance of the private sector as an engine of growth, pointing out that 27 percent of the program funds that the U.S. Agency for International Development (USAID) is providing to Jordan will go to programs aimed at supporting economic growth and job creation in the private sector. A centerpiece of this effort, he said, is a \$50 million, five-year “Jordan Competitiveness Program” that is helping to promote innovation and prepare Jordanian firms for the global marketplace.

Ambassador Jones also stressed the importance of a new loan guarantee program that was announced during President Obama’s recent visit to Jordan. The new initiative “means that when Jordan goes to the loan market, they go in with a guarantee that the United States will stand behind Jordan’s commitment to pay back the money,” he said. “This will significantly reduce the interest rate that Jordan has to pay and enable the Kingdom to borrow on much better terms.”

Mr. Fawaz Bilbeisi, Economic Counselor & Director at the Embassy of Jordan in Washington, noted that myriad developments have taken place between Jordan and the United States over the past decade. “Among these developments is the full implementation of the Jordan – U.S. Free Trade Agreement,” he



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said, “leading to significant increases in trade numbers between the two countries. The establishment of the Jordan – U.S. Economic Dialogue is helping to align economic priorities, and America’s decision to extend loan guarantees to Jordan reflects great confidence in Jordan’s political and economic reforms, including passage of economic laws and regulations that will make it even easier and more attractive for U.S. investors to tap into Jordan’s business opportunities.”

Participants in the roundtable discussion included Jordanian firms and associations that are on the cutting edge of technology in global markets. A sampling of sectors included financial services, business process outsourcing, information and communications technologies (ICT), security, entertainment (including digital content), renewable energy, healthcare, and light manufacturing (air conditioners, automotive components, and the like).

One participant in the roundtable discussion, H.E. Karim Kawar, who served previously as Jordan’s ambassador to the United States, noted that 96 percent of Jordan’s energy is imported, offering a “silver lining” opportunity for U.S. energy firms. One percent of Jordan’s energy currently comes from renewables, he said, and the Kingdom plans to raise this to ten percent by the year 2020. Kawar was the founding chairman of EDAMA, a Jordanian business association that seeks innovative solutions for energy and water independence and productivity.

Investment was a key part of the roundtable discussion, especially early-stage funding for start-ups. Oasis 500, which encourages training and mentorship opportunities in Jordan, plans to launch 500 start-up companies within five years. The Executive Chairman of Oasis 500, Dr. Usama Fayyad, a former Silicon Valley executive, touted Jordan’s ICT excellence, its highly trained talent, its ability to tap into the Arab “diaspora” in the United States, and the ability of start-ups in Jordan to generate “high, fast rates of return” in comparison to other markets.

Considerable discussion was also devoted to Jordan’s role as a bridge to other markets. The Hashemite Kingdom is uniquely situated to serve as a launch pad for Iraq, for example, because of geographic proximity and long-standing family ties between both nations. Moreover, hundreds of thousands of Iraqis



Members of the Jordanian business delegation pose for a group photo on the steps of the Ritz Carlton Hotel in Georgetown. NUSACC President & CEO David Hamod (center) is flanked by Mr. Ayman Hatahet, Chairman of the Jordan Chamber of Industry (left), and Mr. Issa Murad, First Vice Chairman of the Jordan Chamber of Commerce (right).



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have relocated to Jordan in recent years, creating an accessible and highly educated community with an extensive knowledge of business opportunities in Iraq.

Jordan was also singled out as a logical partner in “triangulated” ventures involving technology from the United States, capital from the Arabian Gulf nations, and human resources and regional expertise from Jordan. As one American businessman put it during the roundtable discussion, “Jordan is the Middle of the Middle East,” thereby offering opportunities in all directions. Echoing that view, one Jordanian business leader said, “Jordan is seeking partners, not clients.”

Concluded Ambassador Jones, “The U.S. Embassy has no higher priority than to bring Jordanian and American firms together to help create productive employment and to help grow Jordan’s private enterprise through partnerships with U.S. companies.”

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H.E. Karim Kwar, President of Kwar Group of Companies, discusses renewable energy opportunities in Jordan during the Breakfast Roundtable.

At a luncheon at the Embassy of Jordan in honor of H.M. King Abdullah, Ambassador Hatoug Bouran welcomed Jordanian delegates and top executives of U.S. companies. She said, “Under his Majesty’s directives, Jordan has revitalized and modernized the legal infrastructure for investment and trade that culminated in confidence of the Jordanian market, attracting a wide variety of investments in the last decade. Having said that, it is imperative to highlight that these economic achievements go hand in hand with Jordan’s stable political environment that promotes pluralism, participation, and moderation.”

relationship for many decades,” he said, “and we will continue to work together as Jordan and its neighbors face change and enormous challenges. But just as we recognize the enormity of those challenges, so do we see the vast opportunities for Jordan, with its talented and energetic population and its wise and dynamic leadership.”

Hon. Robert Hormats – Under Secretary of State for Economic Growth, Energy, and the Environment – spoke at the embassy on behalf of the U.S. Government. Jordan and the United States have shared a “long and strong

Jordan’s private sector, Under Secretary Hormats continued, is “ultimately the engine of economic growth, job opportunity, and prosperity” for the Hashemite Kingdom. “Economic reform is a key part of creating an atmosphere that encourages people to open and expand businesses and, in so doing, to support



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current jobs and create new ones. We believe that these economic reforms also make Jordan an even more attractive destination for U.S. trade and investment – and for trade and investment with and from many other countries as well.”

“Our economic partnership with Jordan has flourished under His Majesty King Abdullah,” Hormats noted, and it has “benefitted enormously from Jordan’s accession to the WTO in 2000 and the signing of our Free Trade Agreement in 2001. The FTA has now contributed nearly \$12 billion to the Jordanian economy.” Moreover, he concluded, the FTA has “facilitated an increase in two-way trade by 600 percent over ten years . . . and, since His Majesty came to power, he has brought Jordan’s ICT sector from zero to more than 15 percent of the economy.”



Attending the “Breakfast Roundtable on Business Opportunities in Jordan” are (left to right): Amin Salam, Vice President for Business Development, NUSACC; Mohamad Bataineh, Chairman, AmCham Jordan; Hon. Stuart Jones, U.S. Ambassador to Jordan; Ayman Hatahet, Chairman of the Jordan Chamber of Industry; David Hamod, President & CEO, NUSACC; Issa Murad, First Vice Chairman of the Jordan Chamber of Commerce; H.E. Mahmoud Hmoud, Deputy Chief of Mission, Embassy of Jordan; Fawaz Bilbeisi, Economic Counselor & Director, Embassy of Jordan; Ammar Daoud, President, Engicon USA (lead sponsor of the Breakfast Roundtable).

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Jordan was the fourth nation in the world – and the first Arab nation – to sign a Free Trade Agreement (FTA) with the United States. In the three years preceding full implementation of the FTA, bilateral trade



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in goods grew an average of 1 percent per year. In the past three years, that trade grew 11 percent on average, according to the U.S. Bureau of the Census.

According to research conducted by the National U.S.-Arab Chamber of Commerce, U.S. exports of merchandise to Jordan will reach \$2.45 billion by the year 2015, representing 12.9 percent of market share in Jordan. By that same year, U.S. service exports to Jordan are on track to rise to \$730 million, representing 12 percent of Jordan's market share. Total U.S. exports to Jordan -- goods and services -- are expected to reach \$3.18 billion by the end of 2015.

U.S. exports to Jordan have historically exceeded Jordanian exports to the United States. However, according to NUSACC research, Jordan's merchandise exports will surpass those of the United States by the year 2019, when Jordan's exports will rise to \$3.596 billion and U.S. exports to Jordan will grow to \$3.538 billion. This is the first year of a "crossover" from the USA to Jordan, which is expected to expand the exports gap by more than \$700 million by the year 2020.

The business delegation from Jordan made clear that Jordan is placing a heavy emphasis on industrial growth and manufacturing, and this was borne out in recent data supplied by the Economist Intelligence Unit (2013). According to the EIU, Jordan is on track to quadruple industry projects, as a percentage of GDP growth, from 2010 (1.2 percent) to 2017 (4.8 percent). Manufacturing runs a close second, growing from 2 percent of GDP in 2010 to 5.1 percent of GDP in 2017.

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Participants in the Breakfast Roundtable talk business in one of the turn-of-the-century rooms at the historic Ritz Carlton, Georgetown.

In partnership with the Jordanian Embassy, the National U.S.-Arab Chamber of Commerce was honored to support the business segment of His Majesty King Abdullah's visit to Washington DC. "Jordan's role as an investment destination in the region is creating a wide range of new opportunities for Jordan – U.S. partnership, and our chamber is privileged to be part of this historic development," said David Hamod, President & CEO of NUSACC. Noted Fawaz Bilbeisi from the Embassy of Jordan, "Now more than ever,



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organizations like the National U.S.-Arab Chamber of Commerce and the U.S. - Jordan Business Alliance are relied upon to forge and enhance trade relations between the United States and Jordan and to be partners in Jordan's quest for economic sustainability."

In the words of His Majesty King Abdullah, "Jordan has always been a focal point for peace, development, global stability, and prosperity." Change in Jordan is evolutionary, he said, and "political and economic reform is moving forward hand-in-hand." He concluded, "Jordan is an oasis in a sea of turmoil around us – a breath of fresh air – and we look forward to welcoming you with open arms."