





### SIMPLIFICATION OF THE RULES OF ORIGIN WITH THE EU

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Implemented by









#### Importance of the Decision

The decision of the European Union (EU)-Jordan Association committee to simplify rules of origin was signed on 19 July 2016 and entered into force immediately. In December 2018, the decision was amended so that it is extended to all factories regardless of their location if these factories recruit no less than 15% of Syrian labour within the production facility until 31 December 2030 and until the overall target of Syrian employment is reached, which is least 60,000 legal and active job opportunities for Syrian refugees.

This arrangement of greatly simplified rules of origin, also called "Jordan Compact", is expected to create job opportunities for Jordanians due to increased exports towards the EU and investments in export-oriented sectors of the Jordanian economy.

## New Arrangement Extended to all Jordanian Factories

To benefit from the simplified scheme of rules of origin two main conditions must be met, regardless of the geographical location of the industrial facility, firstly recruiting Syrian Labour within the specified percentage and secondly the production of the specific industrial products covered by the List rules of this Arrangement.

### **Syrian Labour Percentage**

To benefit from the decision, factories are required to employ not less than 15% of

Syrian refugees of their labour on the production line to export to EU within this scheme. This percentage requirement will be dropped, if a total number of 60'000 Syrian labour is hired.

## Industrial Products Covered by the Decision

The relaxed rules of origin are applied to a list of industrial products that are manufactured in Jordan, and includes apparel, electric and electronic appliances, cables, furniture, buses, cement, precious metals, paints, cosmetics, cleaning agents and soaps, chemicals, stone and marble, and plastics. The table in the last section hereafter lists the specific HS chapters benefiting from the decision.



# CUSTOMS



**Paints** 



Chemicals



Cosmetics



Apparel



Cleaning Agents



Buses



Cables



Furniture



Aluminium Products



**Electronic Devices** 

## List of HS Chapters Benefiting from the Arrangement

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SN	HS	Description
	Chapter	
1	25	Salt; sulphur; earths and stone; plastering materials, lime and cement
2	27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes
3	28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rareearth metals, of radioactive elements or of isotopes
4	29	Organic Chemicals
5	31	Fertilisers
6	32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring paints, varnishes, putty and mastics
7	33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations
8	34	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modelling pastes, "dental waxes" and dental preparations with a basis of plaster
9	35	Albuminoidal substances; modified starches; glues; enzymes



10	37	Photographic or cinematographic goods
11	38	Miscellaneous chemical products
12	39	Plastics and articles thereof
13	40	Rubber and articles thereof
14	41	Raw hides and skins (other than furskins) and leather
15	42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silkworm gut)
16	43	Furskins and artificial fur; manufactures thereof
17	44	Wood and articles of wood; wood charcoal
18	51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric
19	52	Cotton
20	53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn

# List of HS Chapters Benefiting from the Arrangement

SN	HS	Chapter Description
	Chapter	
21	54	Man-made filaments; strip and the like of man-made textile materials
22	55	Man-made staple fibres
23	56	Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables, and articles thereof
24	57	Carpets and other textile floor coverings
25	58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery
26	59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use
27	60	Knitted or crocheted fabrics
28	61	Articles of apparel and clothing accessories, knitted or crocheted
29	62	Articles of apparel and clothing accessories, not knitted or crocheted
30	63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags
31	64	Footwear, gaiters and the like; parts of such articles
32	65	Headgear and parts thereof
33	68	Articles of stone, plaster, cement, asbestos, mica or similar materials



34	69	Ceramic products
35	70	Glass and glassware
36	71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal and articles thereof; imitation jewellery; coin
37	73	Articles of iron or steel
38	74	Copper and articles thereof
39	76	Aluminium and articles thereof
40	78	Lead and articles thereof
41	80	Tin and articles thereof
42	82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal
43	83	Miscellaneous articles of base metal

# List of HS Chapters Benefiting from the Arrangement

SN	HS	Chapter Description
	Chapter	
44	84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof
45	85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles
46	86	Railway or tramway locomotives, rolling stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electro-mechanical) traffic signalling equipment of all kinds
47	87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof
48	90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof
49	91	Clocks and watches and parts thereof



50	94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated sign illuminated nameplates and the like; prefabricated buildings
51	95	Toys, games and sports requisites; parts and accessories thereof
52	96	Miscellaneous manufactured articles

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