

Export Potential Brief

Opportunities for Jordan's Services Sector



International
Trade
Centre

About the paper

The export potential brief, prepared by the Trade and Market Intelligence (TMI) section at ITC, presents quantitative information on trade trends and export prospects of Jordan's services sector, based on the TMI tools Trade Map and Export Potential Map, and delves into the focus sectors travel services, information and communications technology (ICT) services, business and financial services.

The brief is part of a broader initiative requested by the Foreign, Commonwealth & Development Office (FCDO) under the UKTP Programme aimed at enhancing the competitiveness and market access of Jordan's key sectors. The project will focus on supporting SMEs in several key areas: improving their branding and marketing strategies, securing necessary certifications for market access, and facilitating participation in international trade fairs. The project will also raise SMEs' awareness of the comprehensive requirements for entering markets. To assist companies, specialized experts and sales representatives will work directly with SMEs to identify and connect with potential buyers.

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For more information on the ITC export potential methodology, see: <https://exportpotential.intracen.org>

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Acronyms

BOP	Balance of Payments
BPM	Balance of Payments and International Investment Position Manual
CBJ	Central Bank of Jordan
DOS	Department of Statistics
EBOPS	Extended Balance of Payment Services
EFTA	European Free Trade Association
EU	European Union
FTA	Free Trade Agreement
GAFTA	Greater Arab Free Trade Area
GATS	General Agreement on Trade in Services
ICT	Information and Communications Technology
IMF	International Monetary Fund
ITC	International Trade Centre
ITRS	International Transactions Reporting System
JITOA	Jordan Inbound Tour Operators Association
JSF	Jordan Strategy Forum
JTB	Jordan Tourism Board
JTA	Jordan Trail Association
MENA	Middle East and North Africa
NDC	Nationally Determined Contribution
RTA	Regional Trade Agreement
SDC	Salt Development Corporation
SME	Small and Medium Enterprise
TSA	Tourism Satellite Account
UK	United Kingdom
US	United States
WTO	World Trade Organization

CHAPTER 1

Services Trade and Policy Landscape

CHAPTER 1

SERVICES TRADE AND POLICY LANDSCAPE

Jordan's services sector is a cornerstone of its economy, contributing over 60% of Gross Domestic Product (GDP) in terms of economic activity in 2023.¹ Despite the important role the sector plays domestically, its international footprint remains limited. Services exports accounted for only 44% of Jordan's total exports in the same year.² This disparity highlights a substantial opportunity to leverage the robust domestic services sector for greater international engagement.

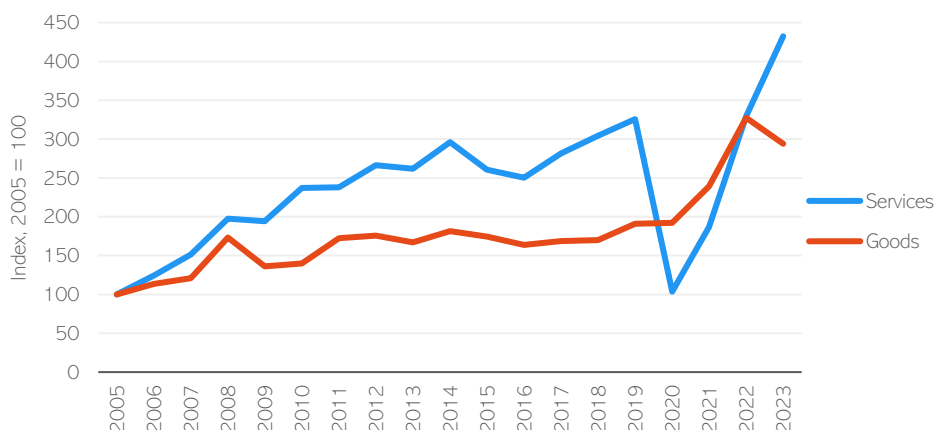
Small and medium enterprises (SMEs) make up over 97% of Jordan's businesses and employ approximately 60% of the workforce.³ However, their contribution to GDP remains below 30%, and they account for less than 10% of total exports.⁴ Boosting the international competitiveness of these enterprises could enhance Jordan's position in services trade and create jobs.

Given Jordan's resource constraints, particularly its status as one of the world's most water-scarce countries, expanding service exports provides a sustainable and efficient pathway to economic growth. By capitalizing on its skilled workforce and regional connectivity, Jordan can diversify its trade base and reduce reliance on traditional sectors.

Rising services exports outpace goods to reach almost half of exports

On average, between 2019 and 2023, Jordan's goods exports were valued at \$11.3 billion, while services exports amounted to \$6.6 billion. However, over the past two decades, Jordan's service exports have exhibited faster growth compared to goods (Figure 1), albeit with a pronounced drop in exports during COVID-19. From 2005 to 2023, services exports more than tripled, whereas goods exports almost doubled. By 2019, services exports had expanded by 226%, significantly outpacing the 91% growth in goods exports. As a consequence, the share of services in total exports rose from 35% in 2005 to nearly 50% in 2019.

Figure 1 Evolution of Jordan's exports of goods and services



Note: Services export values directly reported by Jordan. Goods export data includes both direct and mirror data sources.

Source: Trade Map (2025).

¹ World Trade Organization (WTO) (2023).

² Source: Trade Map (2025).

³ Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) (2018).

⁴ Leaders International (2022).

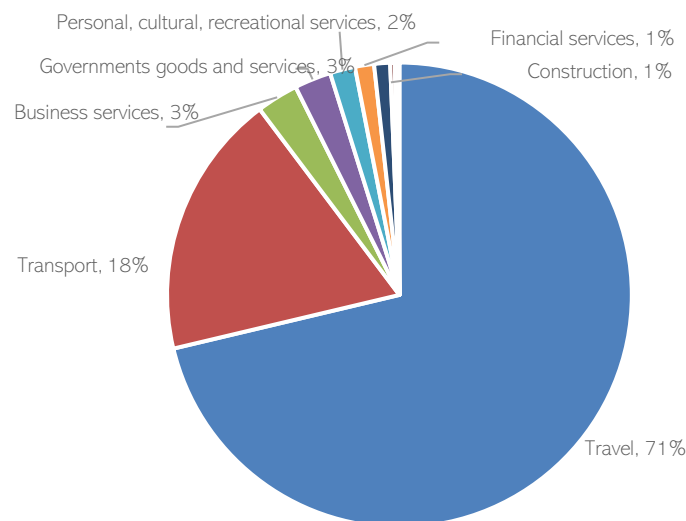
The COVID-19 pandemic had a severe impact on Jordan's service exports, leading to a sharp decline in 2020 due to travel and transport restrictions. However, the sector rebounded strongly in the post-pandemic period, surpassing pre-COVID service export levels, reaching 44% of total exports in 2023 and outperforming goods exports.⁵

Services exports are dominated by travel and transport

The composition of services exports reveals Jordan's heavy reliance on few sectors. Travel services dominate, accounting for 71% of total service exports, followed by transport services at 18%. Note that this sectoral classification follows the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6). In this classification, tourism is largely categorized within travel services, under the personal travel subcategory, and transport services, under the passenger transport subcategory.^{6,7} The dominance of these two sectors is consistent then with the well-established importance of tourism for Jordan's economy.

Other service sectors contribute far smaller shares: business services and government services each represent 3%, while personal, cultural, and recreational services account for 2% and financial services and construction for only 1% of total service exports. This sectoral concentration underscores Jordan's vulnerability to external shocks, particularly during crises such as the COVID-19 pandemic.

Figure 2 Sectoral composition of Jordan's services exports



Note: Based on 2019-2023 averages of data directly reported by Jordan.

Source: Trade Map (2025).

Jordan's potential in services exports

Jordan has the potential to export services worth an estimated \$14 billion annually by 2029. The Middle East and North Africa (MENA) region represents the largest market, accounting for \$8.9 billion in potential service exports. The European Union (EU) and the United Kingdom (UK) hold export potential of \$375 million and \$80 million, respectively, while the rest of the world accounts for \$4.6 billion.

⁵ Jordan's trade balance in services mirrors its export performance—averaging at \$1.4 billion between 2005 and 2019, registering a deficit in 2020 (-\$594 million), recovering in 2021 (\$344 million) to reach an all-time high of \$4.5 billion in 2023.

⁶ Other sectoral classifications that contain a specific tourism category do not always coincide in its definition. For example, in the GATS framework of the WTO passenger transport is transport service, separate from the main tourism category. Conversely, in the Tourism Satellite Account (TSA) framework of the UNWTO, passenger transport is part of tourism services.

⁷ Note additionally that the personal travel subcategory of travel services includes, not only tourism but also health-related travel, which has been significant in Jordan, and education related travel.

Figure 3 Export potential in key markets



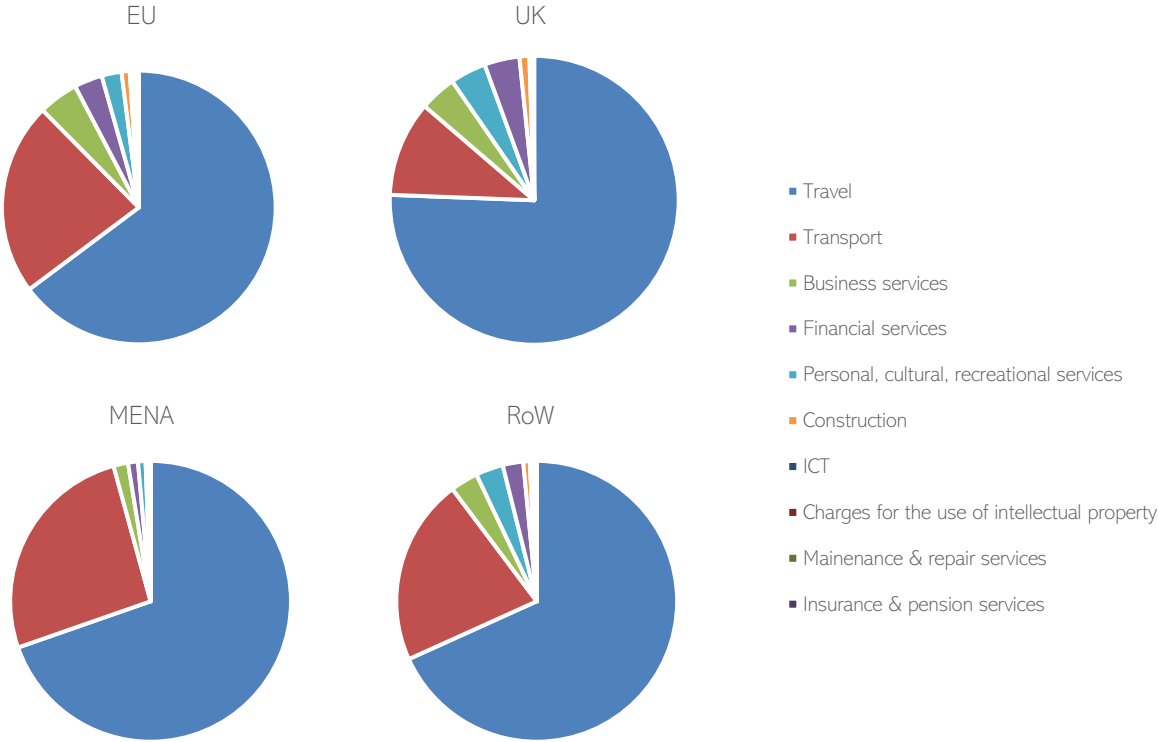
Note: MENA refers to Middle East and North Africa; RoW to Rest of the world; EU to European Union, UK to United Kingdom.
Source: Export Potential Map (2025).

Within the MENA region, travel services present the largest export potential at \$6.2 billion, followed by transport services at \$2.3 billion. Business services and financial services show notable potential, with estimated values of \$150 million and \$102 million, respectively.

In the EU market, travel services lead with export potential of \$243 million (65% of the total), while transport services account for \$86 million (23%). Business services and financial services hold smaller but significant opportunities, valued at \$18 million and \$12 million, respectively.

The UK, though a smaller market, exhibits a similar pattern. Travel services account for three quarters, or \$61 million of the total, followed by transport services at 11%, i.e. \$8.6 million. Business services, personal and cultural services, and financial services each show potential of around \$3 million.

Figure 4 Jordan’s export potential by services sector and market



Note: MENA refers to Middle East and North Africa; RoW to Rest of the world; EU to European Union, UK to United Kingdom.
Source: Export Potential Map (2025).

Jordan’s heavy reliance on travel and transport services exposes the country to external shocks, as demonstrated by the COVID-19 pandemic. Expanding business and financial services, particularly within the MENA region, could enhance export resilience and reduce vulnerability to global crises.

Box 1

Methodology and data limitations*Key challenges in services trade data*

- International trade in services statistics in Trade Map refers solely to services transactions between residents and non-residents, as collected according to the IMF's Balance of Payments (BOP) Manual.
- Trade data in services is generally underreported due to challenges in capturing transactions, particularly in certain sectors. These challenges stem from limitations in the International Transactions Reporting System (ITRS), the primary source for balance of payments (BOP) services trade data. Specific difficulties include tracking payment final destinations (as most payments route through correspondence banks), outdated payment codes (currently being updated for greater comprehensiveness), and insufficient inter-agency collaboration.
- Only 56 countries report their services trade statistics with a partner-country breakdown, at least in some years. For Jordan, no information on bilateral trade flows is available. This limitation prevents deeper market analysis and the precise estimates of export growth potential.

*Data sources for Jordan's trade in services
(based on ITC, 2022)*

- The ITRS is the primary source for the collection of data on trade in services, except for Travel. Other sources, such as surveys, government records, company reports and labour data, are used to supplement these data.
- However, the coverage of transactions beyond those settled through the ITRS is limited, affecting data granularity and classification.
- To address these limitations, the CBJ is working with the Department of Statistics (DOS) to improve data collection through surveys.
- The mapping of the ITRS nomenclature to BPM6 or Extended Balance of Payment Services (EBOPS) can be further improved to help reduce the incidence of misclassification.
- There are discrepancies in the translation of transaction categories from Arabic to English in the ITRS. Harmonization across both languages would ensure consistency in reporting.

Services export potential

- ITC's export potential methodology for services estimates bilateral trade opportunities by projecting values to 2029 through an economic model.
- The model incorporates three key dimensions: Jordan's supply-side capabilities, the importing country's market demand, and bilateral factors influencing trade between Jordan and its trading partners. This approach enables the assessment of sectoral export potential even when historical bilateral trade data is unavailable, as in Jordan's case.

Trade agreements and services: a tool yet to be fully leveraged⁸

Jordan has signed multiple trade agreements that include provisions on trade in services. However, these agreements do not introduce substantive new liberalization measures beyond Jordan's existing World Trade Organization (WTO) General Agreement on Trade in Services (GATS) schedule. This applies to the 2007 Agadir Agreement, the 2002 European Free Trade Association (EFTA)-Jordan Agreement, the 2002 EU-Jordan Agreement, and the 2021 UK-Jordan Agreement, all of which primarily reaffirm Jordan's WTO commitments without expanding market access.

A few agreements—the 2001 Jordan-United States (US) Free Trade Agreement (FTA) and the 2005 Jordan-Singapore Free Trade Agreement—contain annexes detailing specific service sector commitments. However, these commitments largely replicate Jordan's GATS schedule, meaning that they do not grant significant new market access or regulatory flexibility.

Beyond these FTAs, Jordan is also a member of the Greater Arab Free Trade Area (GAFTA) and maintains bilateral agreements with several Arab states. However, none of these regional agreements contain binding liberalization commitments on services, limiting their effectiveness in fostering international competitiveness in this sector.

Jordan has also yet to submit notifications under GATS, restricting transparency and engagement with foreign markets.⁹ Addressing these gaps would require a comprehensive review of existing trade agreements to assess their effectiveness in facilitating services exports, particularly in high-growth sectors. Given the limited coverage of services in Jordan's current trade agreements, future trade agreements should include deeper sectoral commitments, particularly in areas where Jordan has a competitive advantage, such as Information and Communications Technology (ICT), financial services, and business services.¹⁰

Pursuing ambitious "new generation" agreements on services and investment would require Jordan to follow the "negative list" approach to liberalization. An important step for this approach is the comprehensive collection, classification and benchmarking of existing regulations and procedures, which form the baseline for any negotiation.¹¹ Drawing on its extensive experience comprehensively collecting, analysing and publishing market access regulations for goods, ITC is currently pursuing the integration of services regulations to its Market Access Map (www.macmap.org). This initiative can provide ready-made mappings and benchmarks of the regulatory framework of services to streamline negotiations, reducing administrative burdens and enhancing transparency. It can also inform the business community, foreign service providers and investors about current access conditions to the Jordanian market, and help policymakers identify regulatory gaps.

Expanding the scope of services liberalization would enhance market access opportunities and create a more favourable regulatory environment for service exporters. Moreover, improving regulatory frameworks to support the implementation of existing and new agreements could strengthen Jordan's position in global service markets and encourage greater foreign investment in the sector, thereby contributing to economic diversification.

⁸ Source: ITC Market Access Map (2025).

⁹ World Trade Organization (WTO) (2023).

¹⁰ Jordan Export Portal (n.d.).

¹¹ UK's recent CPTPP agreement can serve as a model of "high standard" liberalization against which Jordan's existing restrictions can be benchmarked, identifying them sector-by-sector. Services and investment chapters of CPTPP pursue full liberalization of all services along the dimensions of market access, national treatment, MFN treatment, local presence and levels of government - with specific reservations delegated to annexes. Each country's measures violating core obligations under the chapters are listed in Annex I on "standstill" and "ratchet" commitments as well as in Annex II on unbound future restrictions. CPTPP features separate chapters for telecoms and financial services and movement of professionals. Finally, CPTPP requires domestic procedures to be fair and transparent for businesses.



CHAPTER 2

Zooming in on Priority Services

CHAPTER 2

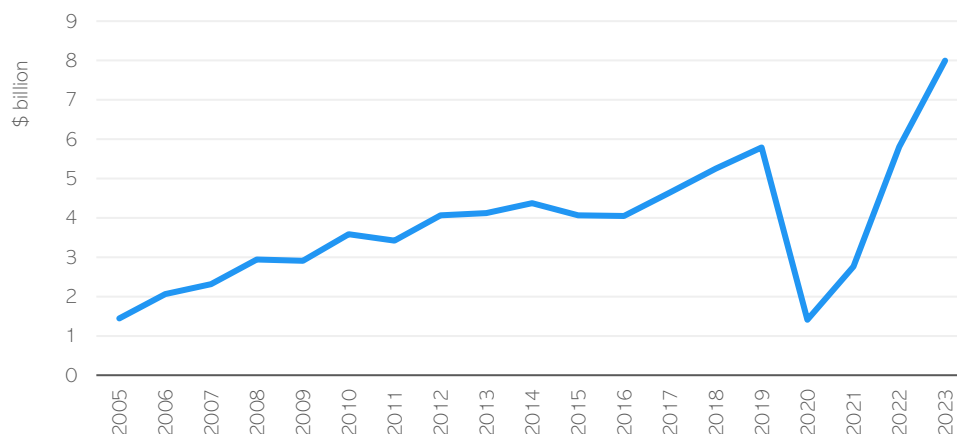
ZOOMING IN ON PRIORITY SERVICES

Developing Jordan's services exports is vital for long-term economic growth and stronger integration into global trade. In that context, this chapter explores key service categories with high export potential, assessing their trade performance and capacity to generate employment. Additionally, it reviews existing policy frameworks and initiatives that support their growth.

Travel exports

Jordan's travel exports demonstrate a robust growth trajectory from 2005 to 2019, steadily increasing from approximately \$1.4 billion to around \$5.8 billion. The COVID-19 pandemic caused a dramatic plunge in 2020, with exports dropping to just over \$1 billion. However, the sector has shown remarkable resilience, experiencing a rapid recovery in 2022 and 2023, with exports rebounding to nearly \$8 billion by 2023—surpassing pre-pandemic levels.

Figure 5 Jordan's exports of travel services



Note: Values directly reported by Jordan.

Source: Trade Map (2025).

Personal travel dominates the sector, comprising over 90% of total travel exports. Looking forward, the industry shows promising prospects, with demand expected to grow 27% by 2029. Most notably, travel services represent an impressive \$9.7 billion in export potential, accounting for 69% of Jordan's total export opportunities in services.¹²

Existing initiatives and sector-specific policies and strategies

Beyond the broad regulatory framework that indirectly influences travel services through incentives and stipulations to promote economic development and attract investment, several policies, strategies, and ongoing initiatives directly impact travel—particularly tourism—in Jordan. These efforts focus on economic growth, sustainability, and improving Jordan's global competitiveness as a tourism destination. Notable examples include:

¹² Export potential and employment data are calculated based on Decreux, Y. & Spies, J. (2023) and International Trade Centre (2018), respectively.

Regulatory and economic modernization efforts

Jordan's *Economic Modernization Vision* includes the pillar "Destination Jordan," which aims to position the country as a premier international tourism destination. This includes 16 initiatives focused on culture and nature tourism, medical and wellness tourism, faith tourism, and MICE (Meetings, Incentives, Conferences, and Exhibitions) tourism.

Additionally, *Jordan's Reform Matrix*—a comprehensive and transformative policy framework to drive sustainable economic growth, enhance social development, and foster resilience in critical sectors—includes a pillar that targets the revitalization and growth of the tourism sector. Reforms focus on improving accessibility, enhancing competitiveness, and ensuring the sector's resilience, with initiatives to streamline tourism services and integrate digital tools for better visitor experiences.

Tourism Sector Green Growth National Action Plan (GG-NAP) 2021-2025

The Tourism Sector Green Growth National Action Plan (GG-NAP) 2021-2025 provides a comprehensive framework for promoting sustainable tourism in Jordan. Aligned with the National Green Growth Plan (NGGP), Jordan Vision 2025, and the Nationally Determined Contributions (NDCs) under the Paris Agreement, the plan emphasizes economic growth that is both environmentally sustainable and socially inclusive. Five overarching objectives guide the plan: enhancing natural capital, fostering sustainable economic growth, promoting social development and poverty reduction, improving resource efficiency, and addressing climate change through adaptation and mitigation. These objectives are integrated into 18 sub-objectives to ensure green growth principles are embedded in tourism policies and investments, ultimately boosting competitiveness and sustainability.

The plan highlights the vital role of tourism in Jordan's economy, accounting for 10-18.7% of GDP pre-pandemic and projected to grow further in the coming years. It outlines 12 priority actions requiring an estimated investment of \$172.7 million, supported by public, private, and donor funding. Key actions include developing eco-tourism experiences, scaling up the Jordan Trail, enhancing tourism at Petra, and building green growth capacity in the sector. These initiatives aim to enhance sustainability, improve sector resilience, and create significant employment opportunities, particularly for rural communities, women, and youth. Additionally, the plan identifies critical infrastructure and investment opportunities in eco-tourism and sustainability, positioning Jordan's tourism sector as a model for green growth and resilience.

National Tourism Strategy (2021-2025)

Jordan's National Tourism Strategy 2021-2025 aims to revitalize the tourism sector by restoring visitor numbers and revenues to pre-pandemic levels by 2025. The strategy focuses on enhancing tourism services, diversifying tourism products, and improving marketing efforts to attract a broader range of tourists. It also emphasizes the importance of sustainable and green tourism practices, aligning with the Green Growth National Action Plan 2021-2025. To achieve these objectives, the strategy outlines several key initiatives, including developing marketable experiences that cater to travellers, leveraging Jordan's unique assets, such as the Dead Sea and Petra.

*Tourism Sector Analysis and Strategy for Sectoral Improvement*¹³

The strategy aims to enhance the competitiveness of MSMEs in Jordan's tourism sector by addressing key challenges and unlocking opportunities for growth. Despite the sector's significant economic contribution, it is not fully recognized as an export sector and lacks government incentives and tariff exemptions. MSMEs also face challenges such as high operational costs, weak product design, packaging, and marketing, limited coordination between public and private stakeholders, and inadequate data for informed decision-making. Additionally, lengthy regulatory and licensing processes hinder business efficiency, affecting their ability to compete both locally and internationally.

To address these challenges, strategic interventions focus on enhancing MSME competitiveness and access to domestic and international tourism markets. Key measures include improving advocacy for MSME support, facilitating better access to financing, and diversifying tourism products and experiences led by MSMEs. Strengthening tourism associations to serve MSMEs effectively and building the skills of MSME owners and employees are also critical priorities. These actions aim to create a comprehensive development framework that fosters innovation, improves market access, and positions Jordan's tourism sector for sustainable growth and export potential.

¹³ GIZ (2019a).

Jordan's Tourism Investment Guideline (2024)

The guideline underscores Jordan's unique strengths and attractions that contribute to its appeal as a key tourism and investment destination. These include a rich historical and cultural heritage, with over 100,000 archaeological sites, six UNESCO World Heritage sites, and one of the New Seven Wonders of the World. Additionally, Jordan's strategic location, well-established infrastructure, expanding talent pool, and government policies that facilitate business and investment further enhance its competitiveness in the sector. It also examines the evolving landscape of Jordan's tourism industry, highlighting its rapid expansion. This growth is reflected in the increasing number of visitors, higher hotel occupancy rates, and greater daily tourist expenditures. These developments not only strengthen the tourism sector but also stimulate economic activity in related industries, driving job creation and broader economic benefits.

*Mapping Tourism Services, Skills, Assets, Stories of Madaba Governorate*¹⁴

In 2023, the UNDP Accelerators Lab launched an initiative to enhance local tourism by identifying untapped assets, engaging communities, and fostering strategic partnerships. The initiative focuses on identifying local tourism assets and skills by uncovering individuals with tourism-related talents, unique stories, and local resources. When leveraged creatively, these elements can contribute to tourism development while also providing direct economic and social benefits to the individuals involved.

Another key aspect is collaborative tourism experimentation, which involves working closely with local communities to co-design and test innovative tourism initiatives. This participatory approach helps identify projects with long-term potential, ensuring sustainable tourism growth tailored to community needs.

Additionally, the initiative has formed a strategic partnership with the German Jordanian University (GJU) to conduct tourism mapping. This collaboration provides a valuable learning experience for students, allowing them to apply their creativity and research skills to real-world challenges while gaining hands-on experience that enhances their career prospects.

Cultural Heritage, Tourism, and Urban Development Project

The Cultural Heritage, Tourism, and Urban Development Project, funded by the World Bank, aimed to enhance tourism development in five historically and culturally significant cities in Jordan—Jerash, Karak, Madaba, As-Salt, and Ajloun—by improving essential infrastructure to support sustainable growth in the tourism sector. It focused on rehabilitating roads, drainage systems, sidewalks, and public squares, as well as restoring cultural heritage sites and conducting extensive landscaping. The project aligned with Jordan's National Tourism Strategy (2004), which emphasized site diversification, employment growth, and integrating tourism into local economic development. Despite challenges in achieving all objectives, the rehabilitation of infrastructure and the creation of public spaces were key successes.

However, the project faced limitations in catalysing local economic development. While infrastructure improvements supported tourism growth, the project's impact was hindered by a lack of municipal capacity and local resistance to changes such as repurposing space for tourism rather than retail activities. The planned local economic development fund was cancelled, and there was insufficient attention to tourism product development, marketing, and site management. Furthermore, some cultural heritage sites, such as Jerash's Eastern Baths and Karak's heritage trail, faced poor site management due to jurisdictional disputes and lack of municipal buy-in.

The effect of infrastructure rehabilitation on property values was mixed, with only Madaba seeing significant changes in property values and rental prices. Other factors, including the Syrian War and inflation, complicated the assessment of the project's economic impact. Key lessons from the project highlight the importance of addressing interagency cooperation, local ownership, and private sector engagement to ensure the long-term success of tourism initiatives.

Building Economic Sustainability Through Tourism (BEST) Project

The Building Economic Sustainability Through Tourism (BEST) Project, funded by USAID, has been instrumental in revitalizing Jordan's tourism sector, particularly in response to the challenges posed by the global pandemic. In collaboration with the Jordan Tourism Board (JTB), BEST updated the national marketing strategy to re-engage key source markets, including new ones, through a data-driven approach. This strategy identified priority markets, channels, and partners, facilitating a phased return to growth.

¹⁴ UNDP (2023).

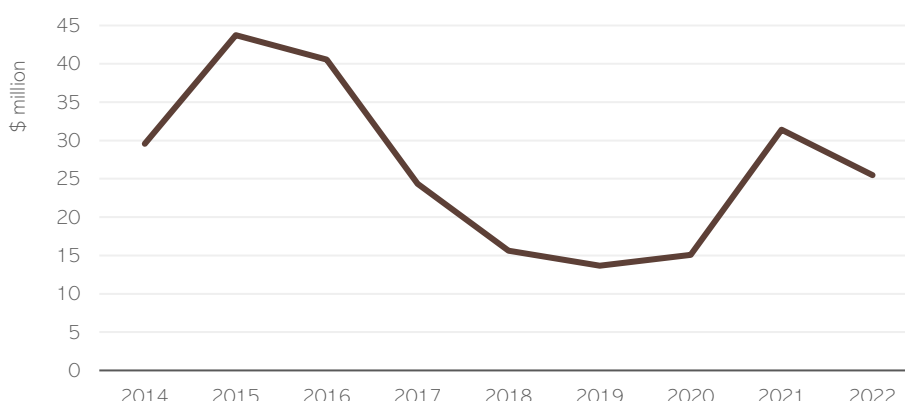
At the local level, BEST worked closely with the Salt Development Corporation (SDC) and tourism stakeholders in As-Salt to build capacity for marketing and promoting the city as a tourist destination. Training sessions in digital content creation, digital marketing, media outreach, and social media management enhanced the skills of local experience providers and SDC staff. These efforts strengthened online marketing capabilities and fostered relationships with local media outlets to effectively communicate As-Salt's offerings.

Additionally, the project supported the Jordan Trail Association (JTA) by launching a sponsorship program to fundraise for the maintenance of physical infrastructure along the Jordan Trail. This initiative successfully raised funds to complete waymarking for two northern sections of the trail, with further commitments anticipated. BEST also assisted the Jordan Inbound Tour Operators Association (JITOA) in building capacity among their members to enhance customer service and standards, enabling a faster recovery as tourism activities resumed. Furthermore, the project has helped the Jordan Tourism Board North America (JTBNA) re-engage with trade by upgrading the Jordan Travel Agent Academy, funding the continued operation of the platform, and enhancing the content, including an updated Christian faith tourism module. As a result, 74 travel agents graduated, with courses focusing on Jordan's general information, faith tourism, and adventure tourism.

ICT exports

Jordan's ICT services exports show high volatility, peaking at \$44 million in 2015, followed by a gradual decline to around \$15 million between 2018 and 2020. The sector experienced a significant post-pandemic recovery, reaching approximately \$31 million in 2021, before a marginal decline in 2022. Despite fluctuations in recent years, the ICT sector holds substantial opportunities for Jordan, driven by projected demand growth of 81% by 2029.

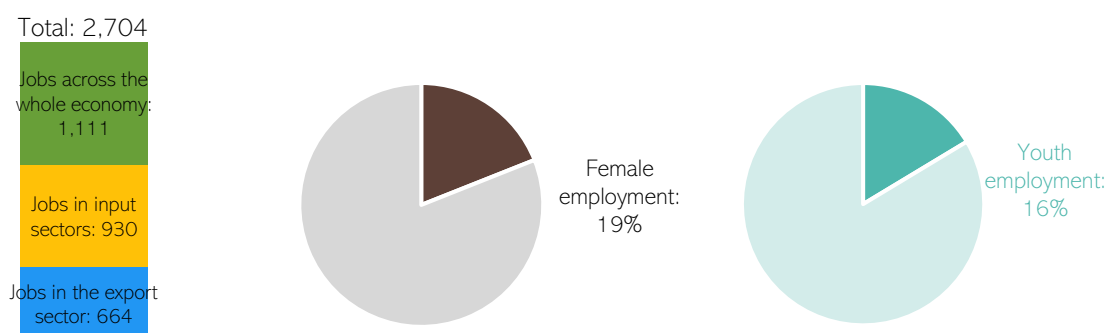
Figure 6 Jordan's exports of ICT services



Note: Values directly reported by Jordan.
Source: Trade Map (2025).

Additionally, exports of ICT services have a significant job creation potential, with estimates suggesting that a \$50 million increase in ICT exports could generate over 2,700 jobs (Figure 7), 41% of which would be spread across all sectors of the economy. Close to 20% of the jobs created would benefit women, while 16% would be filled by young workers.

Figure 7 How many jobs would be created if exports of ICT services increased by \$50 million?



Source: Authors' calculations based on Export potential Map (2025) and ITC (2018).

Existing initiatives and sector-specific policies and strategies

Jordan's Information and Communication Technology (ICT) sector is supported by strategic policies, infrastructure investments, and workforce development initiatives aimed at strengthening ITC services, enhancing digital exports, and positioning Jordan as a leading technology hub in the region. Some examples are:

Regulatory and economic modernization efforts

There are 13 initiatives in the ICT sector under the *Economic Modernization Vision*, including establishing a regulatory sandbox for disruptive technologies, creating a virtual free zone for start-ups, developing a future-ready, highly skilled workforce, and establishing a cabinet-level department within the PMDU Digitising Unit to oversee end-to-end digitized services for citizens and investors. Additionally, the rollout of 5G services is a key focus.

Jordan's *Reform Matrix* includes a pillar on workforce development, with reforms designed to aligning education and training with market demands. Focus is set on vocational training, national skills planning, and improving the employability of graduates, explicitly in high-demand areas such as ICT.

Jordan's National Export Strategy for 2023-2025

Launched by the Ministry of Industry, Trade, and Supply, the strategy aims to enhance the country's exports by leveraging existing trade agreements and exploring new markets. A significant focus of this strategy is on the services sector, particularly in areas such as information and communication technology (ICT), professional services, and creative industries. The strategy emphasizes the importance of the digital economy, aligning with the Economic Modernization Vision and the National Digital Transformation Strategy, aiming to accelerate digital infrastructure development, enhance digital skills, and expand e-government services.

ICT & Professional Business Services Sector Strategy

The strategy focuses on establishing Jordan as a prominent tech hub by promoting the growth and competitiveness of Jordanian SMEs in the IT sector. This involves equipping these companies to expand their exports and better cater to international outsourcing demands and addressing the shortage of skilled IT professionals. A core component of the strategy is the upskilling and reskilling of Jordanian youth and professionals, ensuring they are well-prepared to meet the evolving needs of the IT industry.

*Jordan's ICT Sector Analysis and Strategy for Sectoral Improvement*¹⁵

The strategy focuses on enhancing the competitiveness of ICT-focused MSMEs in Jordan. Some of the key strengths identified for the ICT sector are the existing experience, advanced infrastructure, and access to lucrative regional and international markets. However, the small domestic market makes it necessary to focus on exports to scale businesses. Some of the challenges include weak business linkages, gaps in workforce skills, limited self-marketing, and insufficient government support for international promotion. Bureaucratic red tape and a lack of strategic management skills within MSMEs are highlighted further hinder growth and export potential.

To unlock export opportunities, strategic interventions put forward include improving ICT MSME competitiveness through technical assistance, innovation promotion, and market linkages. Enhancing workforce skills through targeted training and bridging the gap between industry and education is also essential. Furthermore, reforms to the business enabling environment—such as improving policies, customs processes, and access to finance—can strengthen Jordan's ICT sector, empowering MSMEs to expand domestically and capitalize on export-driven growth. Such initiatives can position Jordan as a regional ICT hub while addressing barriers to global market entry.

The National Strategy for Digital Transformation and Executive Plan

The government is actively working to establish a comprehensive digital transformation framework by developing advanced infrastructure that ensures the effective implementation of strategic goals. This includes adopting the latest technologies to enhance government services, streamline internal operations, and maximize the use of data for informed decision-making and innovation. The strategy also focuses on equipping individuals and businesses with the necessary digital skills to facilitate widespread adoption and ensure seamless participation in the digital economy. By

¹⁵ GIZ (2019b).

strengthening digital infrastructure—such as cloud platforms, e-payment systems, broadband networks, and secure government communication—the initiative aims to create a more efficient and interconnected digital ecosystem.

To measure progress, key performance indicators have been set for 2025. These include a 10.1% growth in ICT sector exports and an increase in freelance work platforms to 8,000. Additionally, the contribution of the ICT sector to the national GDP is expected to rise from 3% in 2021 to 7% in 2025. The strategy also promotes innovation through public-private partnerships, encourages e-participation, and focuses on change management to ensure a smooth transition toward a more digital and data-driven governance model.

Jordanian Policy for Artificial Intelligence

The government aims to achieve several key objectives through this policy, primarily by promoting the use of artificial intelligence (AI) across vital economic sectors and creating an enabling environment with the necessary regulatory, technological, and institutional frameworks. Strengthening digital infrastructure is a fundamental pillar to support AI advancements and meet evolving technological demands. Additionally, the policy focuses on capacity building by developing specialized Jordanian expertise in AI and fostering collaboration between the public and private sectors to drive innovation and the adoption of AI-driven solutions. These efforts are designed to enhance productivity and contribute to sustainable development.

To ensure effective implementation, the policy emphasizes increasing investments in AI initiatives, supporting startups in the field, and fostering a business-friendly environment that encourages AI-based services and solutions. It also prioritizes establishing a robust research and development ecosystem to advance AI applications while building trust and awareness within both the public and private sectors. The key pillars guiding this strategy include governance, regulatory frameworks, digital infrastructure, business and investment climate, and capacity development.

Youth, Technology, and Jobs Project (YTJ)

Launched in 2020 and funded by the World Bank, this initiative aims to drive digital transformation in Jordan by focusing on youth empowerment, technology advancement, and job creation.

In the area of youth development, the initiative seeks to upskill 30,000 young individuals in Jordan through the NSC–ICT program. Additionally, 300,000 students (grades 7–12) are receiving digital skills education in schools, preparing them for future opportunities in the tech-driven economy. To further support digital engagement, 3 to 5 tech hubs are being established, providing resources and access to 12,000 users.

On the technology front, the initiative is driving government digitization efforts, with a goal of digitizing 80% of government payments and accelerating the adoption of at least 100 new digital government services.

In terms of job creation and economic growth, \$15 million is being injected to support the expansion of digital firms, helping create 10,000 jobs. Furthermore, 250 startups are benefiting from business matchmaking services, while 6,000 individuals are being trained to offer and access services through digital platforms, fostering entrepreneurship and innovation.

*Digitization Opportunities for Jordanian Business*¹⁶

In 2019, the World Bank and Souktel launched an initiative to assess and support the growth of Jordan's ICT and IT-enabled services (ITES) sector. The initiative aimed to identify gaps, constraints, and opportunities within three key economic sectors: Health, Tourism, and Financial Services.

As part of this effort, an in-country scoping mission was conducted, involving consultations and key informant interviews with stakeholders. The focus was on pinpointing short-term interventions that could yield quick and tangible impacts, addressing company- or organization-level challenges rather than broader systemic issues. These targeted interventions were designed to support viable business cases, create job opportunities, and accelerate technological advancement and innovation within Jordan's digital economy.

¹⁶ World Bank and Souktel (2019).

*GIZ Employment-Oriented MSME Promotion (GIZ-MSME) Project*¹⁷

This initiative supports Jordanian MSMEs in high-growth sectors, including ICT, by improving enterprise competitiveness, enhancing MSME competencies, and creating a favourable business environment for ICT-focused enterprises. Activities include technical assistance, supporting innovation and incubators, enhancing product and service quality, and promoting domestic and export sales.

*Shamal Start / Jordan Start*¹⁸

Shamal Start, originally launched in 2016, was a business accelerator and seed investment program, funded primarily by the European Union and implemented by Luminus Education in collaboration with iPARK. It focused on supporting startups, particularly in manufacturing, technology, including ICT, and hardware innovation, by providing funding, mentorship, and incubation services. Over the years, Shamal Start played a key role in fostering entrepreneurship in Jordan's northern regions. In 2023, the program underwent a rebranding and became Jordan Start, reflecting an expanded mission to support entrepreneurs across the entire country. The initiative continues to offer funding, mentorship, and networking opportunities, aiming to drive innovation and economic growth.

Exports of Business services—Management consulting

The *Other business services* category of the BPM6 classification of services encompasses research and development services, professional and management consulting services and technical, trade-related and other business services. Unfortunately, data for each of these subcategories is currently not available for Jordan. However, anecdotal evidence suggests that professional and management consulting services constitute the largest share and driving force within the category. Consequently, analysing the overall trend of Jordan's exports in Other Business Services (Figure 8) can serve as a useful proxy for understanding the evolution of exports in professional and management consulting services.

Jordan's exports of Other Business Services reached a peak of \$575 million in 2008, maintaining levels above \$500 million until 2013. However, the sector has since experienced a downward trend, reaching a low of \$157 million in 2022. Despite this decline, the sector remains a key area for services export growth, with an export potential of \$318 million by 2029.

Figure 8 Jordan's exports of Other business services



Note: Values directly reported by Jordan.

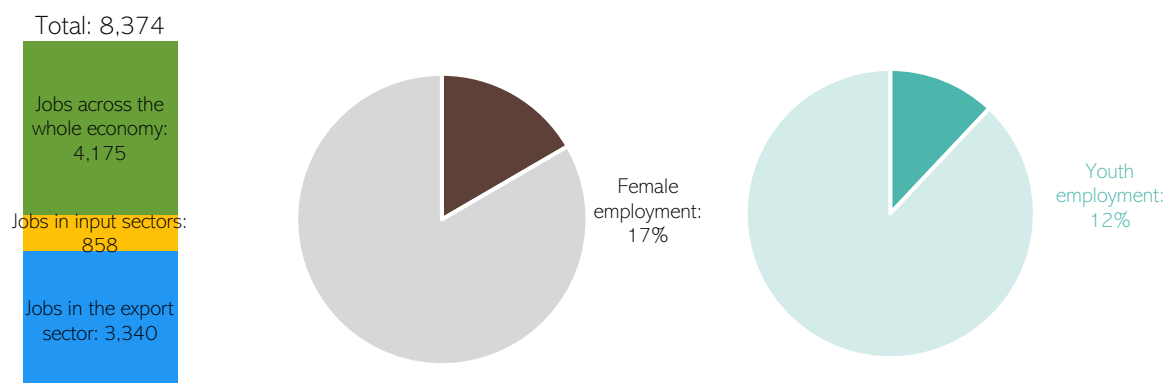
Source: Trade Map (2025).

Expanding exports of other business services presents a significant opportunity for job creation in Jordan. Estimates indicate that an increase of \$150 million in exports within this sector could generate over 8,400 new jobs (Figure 9), with half of these distributed across various sectors of the economy. Approximately 40% of the newly created jobs would be within the business services sector itself. However, the employment impact on women and youth would be relatively lower compared to other key sectors, with only 17% of new jobs expected to be filled by women and 12% by young workers.

¹⁷ GIZ (2018).

¹⁸ For more information, see <https://www.shamalstart.com/>.

Figure 9 How many jobs would be created if exports in other business services increased by \$150 million?



Source: Authors' calculations based on Export potential Map (2025) and ITC (2018).

Existing initiatives and sector-specific policies and strategies

Jordan's management consulting sector can play a crucial role in supporting business strategy, economic policy, and operational improvements. Various initiatives, policy frameworks, and donor-funded programs have been implemented to enhance the competitiveness of Jordanian consulting firms, improve workforce skills, and strengthen their export potential.

*Jordan's Consultancy Sector Analysis and Strategy for Sectoral Improvement*¹⁹

In cooperation with the Ministry of Industry and Trade (MIT) and GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit), a Strategy for Sectoral Improvement was developed to enhance Jordan's consulting sector, including management consulting, IT/technology consulting, and financial advisory. This strategy identified several key challenges, including weak integration with domestic industries, limited access to funding, instability in regional markets, and an underdeveloped regulatory environment. The sector also suffers from fragmentation, with an oversupply of micro-enterprises, limiting the scaling up for firms.

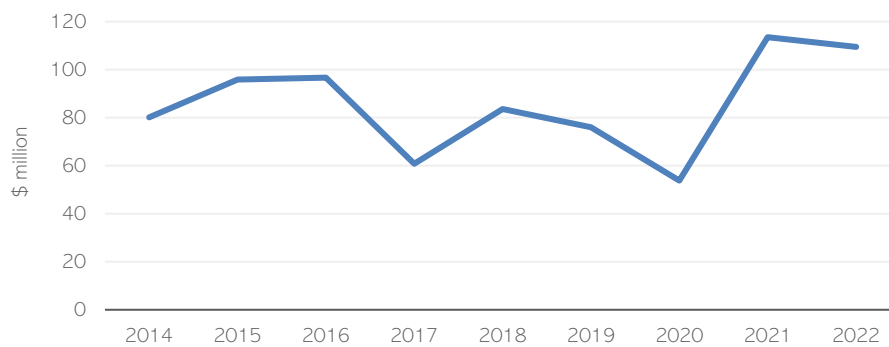
To address these issues, the strategy focuses on launching specialized business assistance programs, enhancing service quality through improved standards, and creating stronger business linkages to support exports. Revisions to the legislative and policy framework are also emphasized to foster a more enabling environment, alongside initiatives to expand access to funding and provide demand-driven capacity building. Central to these efforts is the establishment of institutional capacity for the sector, ensuring improved data collection and coordination between private associations and government bodies to drive sustainable growth.

Financial services exports

Jordan's financial services exports demonstrate a volatile pattern of growth and contraction (Figure 10). The chart reveals dramatic shifts from 2014 to 2022, with values ranging between \$53 million and \$114 million. Notably, the sector experienced a precipitous decline from 2016 to 2017, dropping from around \$97 million to \$61 million. A significant recovery emerged in 2021, with exports surging to \$114 million—before dropping again slightly in 2022.

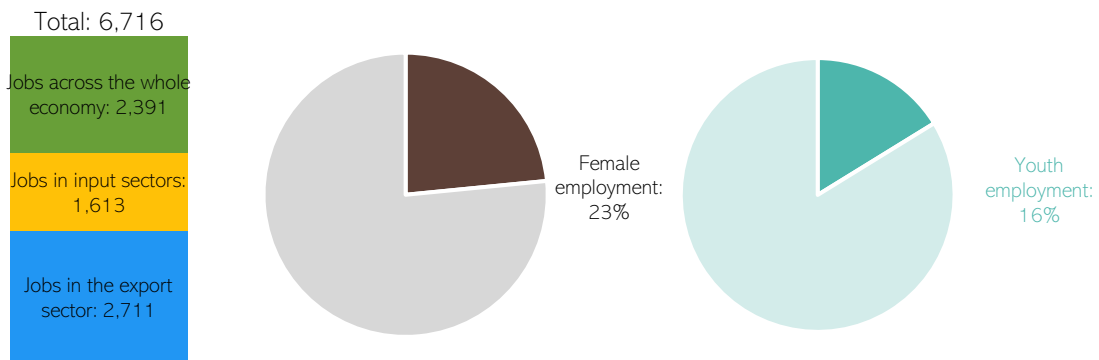
Jordan has an estimated \$227 million in export potential for financial services. Further, a \$100 million increase in exports of financial services could generate over 6,700 jobs (Figure 11). Of these new jobs, 40% would be created within the financial sector itself, while 36% would be distributed across the broader economy. Notably, the share of jobs filled by women in this sector is higher than in other service industries, reaching 23%. These figures highlight the potential role of financial services as a motor for trade and employment generation in Jordan, despite its current modest share of total service exports.

¹⁹ GIZ (2020).

Figure 10 Jordan's exports of financial services

Note: Values directly reported by Jordan.

Source: Trade Map (2025).

Figure 11 How many jobs would be created if exports increased by \$100 million in financial services?

Source: Authors' calculations based on Export potential Map (2025) and ITC (2018).

Existing initiatives and sector-specific policies and strategies

Jordan's financial services sector has benefited from a range of initiatives, reforms, and programs aimed at enhancing its competitiveness and expanding its role in the national economy. The sector plays a critical role in facilitating business operations, attracting investment, and supporting economic growth. An example of such initiatives is:

*Financial Services Sector Strategy*²⁰

The Jordan Strategy Forum (JSF) conducted a SWOT analysis of Jordan's financial services sector to assess its strengths, weaknesses, opportunities, and threats, with the goal of formulating strategic objectives for the next 8 to 10 years. The analysis highlighted key strengths, including a well-capitalized and liquid banking sector, a competent workforce in banking, insurance, and the Amman Stock Exchange (ASE), and the availability of diverse banking institutions, including Islamic, commercial, and foreign banks. Additionally, the sector benefits from efficient regulatory and supervisory functions and is highly adaptive to technological innovations.

However, challenges remain, such as a heavy reliance on cash-based transactions, high exposure of banks to government debt, and limited access to finance for private investment. The low financial awareness among individuals and SMEs and the limited role of non-bank financial services, such as insurance and stock market activities, further hinder sector growth. To address these issues, the strategy focuses on expanding financial inclusion, developing corporate and government bond markets, enhancing competition and efficiency in banking and insurance, and promoting digital financial services. These efforts aim to strengthen Jordan's financial sector, ensuring long-term stability, innovation, and economic growth.

²⁰ JSF (2022).



CHAPTER 3

Conclusions

CHAPTER 3

CONCLUSIONS

Expanding Jordan's services exports is critical to fostering sustainable economic growth and enhancing the country's international trade. As highlighted in previous chapters, Jordan's services sector is a significant force in the economy, yet its exports remain underdeveloped, with the country's services trade still heavily reliant on a few sectors, particularly travel and transport services. While these sectors have been successful, their vulnerability to external shocks—as demonstrated by the COVID-19 pandemic—reinforces the need for a more diversified and resilient export structure.

Four key categories—tourism, information and communications technology (ICT), business and financial services—are highlighted for the export potential they have within the services sector. While Jordan has implemented strategic policies and support programs to enhance the competitiveness of these services, several challenges persist. Addressing market access barriers, improving sectoral trade policies, and fostering investment in high-growth service industries will be essential for Jordan to achieve greater resilience and diversification in its export portfolio.

Tourism: strengthening competitiveness

Jordan's tourism sector is a cornerstone of the economy and the leading services export, yet it remains highly sensitive to external shocks and geopolitical instability. While policy support, infrastructure investments, and international partnerships have strengthened the sector's recovery, challenges remain. These include underdeveloped tourism sites, regulatory barriers, inconsistent service standards, and a shortage of skilled workers.

To address these issues, Jordan is focusing on improving service quality, increasing investments in tourism infrastructure, and enhancing collaboration between the public and private sectors. Among multiple initiatives, the Economic Modernization Vision (2021-2033) has identified Destination Jordan as a key pillar, aiming to boost tourism competitiveness, attract investment, and develop niche tourism segments such as medical, faith-based, and eco-tourism. Additionally, Jordan's Tourism Sector Green Growth National Action Plan (2021-2025) provides a roadmap for sustainable tourism development, prioritizing eco-tourism projects, waste management, and resource efficiency.

Despite these positive steps, streamlining regulations, improving digital marketing strategies, and expanding workforce training initiatives will be crucial to sustaining long-term growth and ensuring Jordan remains a leading tourism destination in the region.

ICT: unlocking digital trade and export potential

Jordan's ICT sector has witnessed rapid expansion, driven by a skilled workforce, advanced digital infrastructure, and strong government support. However, export growth has remained volatile, with the sector experiencing fluctuations in trade performance over the past decade. Jordan's small domestic market makes international expansion essential, yet regulatory inefficiencies, skills mismatches, and limited integration into global digital trade networks present challenges.

The Economic Modernization Vision and Jordan's ICT Sector Strategy emphasize enhancing digital exports, improving workforce capabilities, and positioning Jordan as a regional ICT hub. Notable initiatives include the establishment of a regulatory sandbox for FinTech and emerging technologies to facilitate innovation, the expansion of 5G networks to improve connectivity and support advanced digital services, and strategic investment in digital skills training and workforce development programs to align education with market needs.

Despite these efforts, further investment in digital trade infrastructure, stronger partnerships with international firms, and targeted export promotion policies are necessary to unlock Jordan's full ICT export potential. With increasing demand for digital services across the MENA region, Jordan has a significant opportunity to expand its services exports via its role in ICT outsourcing. Additionally, further development of the sector would enable the growth of other areas, for example e-commerce and digital financial services.

Management consulting: strengthening business services exports

Jordan's management consulting sector is an important contributor to business services exports, yet it faces structural and regulatory challenges. While consulting services—particularly in strategy, financial advisory, and IT consulting—are in high demand, limited access to finance, regulatory inefficiencies, and a fragmented market structure hinder the sector's growth.

The Jordan Consultancy Sector Strategy outlines key interventions to improve the competitiveness of consulting firms, promote export-oriented business linkages, and strengthen the regulatory framework. Key reforms include developing specialized training programs to enhance the skills of consultants in high-demand fields, expanding access to finance by facilitating loans and investment opportunities for small and medium-sized consulting firms and improving sectoral governance by establishing industry associations to advocate for business-friendly policies and support international expansion.

Given the rising demand for consulting services in regional markets, particularly in infrastructure, energy, and digital transformation, Jordanian firms are well-positioned to capitalize on these opportunities. However, achieving sustained growth will require stronger institutional support, streamlined regulations, and greater integration into global business networks.

Financial services: driving investment and digital finance

Jordan's financial services sector plays a critical role in supporting economic development, investment facilitation, and cross-border trade. However, the sector has experienced significant fluctuations in export performance, reflecting regulatory constraints, limited financial innovation, and challenges in expanding access to international markets.

Despite advancements, further modernization of financial regulations, strengthening trade agreements covering financial services, and expanding Jordan's role in regional financial networks will be essential for sustained growth. With the MENA region experiencing rising demand for investment advisory, digital banking, and insurance services, Jordan has an opportunity to position itself as a key player in the regional financial ecosystem.

Unlocking Jordan's service export potential

Jordan's services sector is a key driver of economic growth, yet its export diversification remains limited. The country's overreliance on travel and transport services exposes it to external shocks, underscoring the need to reinforce these sectors and expand high-value service exports in ICT, business and financial services.

While policy reforms, investment programs, and trade facilitation efforts have strengthened the foundation for service sector growth, further steps are needed to reduce market access barriers, enhance workforce capabilities, and integrate Jordanian firms into global value chains. Key priorities include deepening regional trade partnerships to enhance market access, investing in digital infrastructure and regulatory modernization to support ICT growth, expanding financing mechanisms for SMEs and professional service firms to improve competitiveness, and improving coordination between public and private stakeholders to drive strategic service export initiatives.

With the right policy interventions and targeted investments, Jordan's service exports have the potential to drive sustainable economic expansion, create high-value employment opportunities, and position the country as a regional leader in knowledge-based industries.



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