## Instruction of defining Jordanian origin

## Issued based on article (4/A) of

## Industry and Trade Law no. 18 of the year 1998

First: These instructions are called (instructions of defining Jordanian origin) that shall be into force from the date published in the Official Gazette.

Second: The following terms and words shall hold the meanings assigned below unless mentioned otherwise.

The Ministry The Ministry of Industry and Trade
The Directorate Industrial Development Directorate

The Origin The economic nationality of traded goods for defining the

correspondent fees and any customs records and/or commitments

applied.

Ex-works price of the product The paid or payable exworks price for the goods after deducting any

taxes or fees that will or might be applied when exported

Local added value The ex-works price of goods after deducting the customs fees for all

the foreign production inputs used in the production of the goods.

Third: Jordanian Origin is granted to the locally produced products within the geographical boarders of Jordan despite the location of manufacture (whether in free zones, development zones, or private economic zones) according to the terms found in these instruction

Fourth: These instructions of granting the Jordanian Original for products or goods adopted in the following objectives:

- 1. To determine the origin under the Development Zones Law, Free zones, Aqaba Private Economic zone.
- 2. To grant (the preference of pricing) in governmental biddings.
- 3. Membership of temporary participation.
- 4. To determine non-preferential origin, outside the framework of agreements.

Fifth: Jordanian origin of a product or good is determined according to the following rules:

- A- Provided the provisions of the agreements signed with Jordan, Product shall be considered of Jordan origin if it was wholly obtained in Jordan which include the following:
  - 1. Mineral products extracted from their soil or from their seabed.
  - 2. Vegetable products harvested there.
  - 3. Live animals born and raised in Jordan
  - 4. Product from Live animals raised in Jordan
  - 5. Wild hunting and fishing conducted in Jordan's territorial waters
  - 6. Products of fishing and other products (fish, sharks, and other sea creatures) taken from the sea outside Jordan's territorial waters by a boat registered as Jordanian and raising the Jordanian flag
  - 7. Products made aboard their factory ships exclusively form products referred to article (6) of this paragraph, provided that these ships are registered in Jordan and raising the Jordanian flag
  - 8. Products extracted from marine soil or subsoil outside their territorial waters provided that they have sole rights to work that soil or subsoil.
  - 9. Products of wastes resulted from manufacturing operations and materials used in production, if collected in Jordan and were just valid to be used as raw-material waste and scrap resulting from manufacturing operations conducted in Jordan, if it was assembled in Jordan and it's possible to use it as row material.
  - 10. Goods produced in Jordan of the goods exclusively from the products specified in articles (1) to (9) or its derivatives, or any stage of production.
- B- Product shall be considered Jordanian Origin if the final production operation took place in Jordan and a substantial transformation on the product, the transformation is considered substantial in any of the following two cases:
  - 1. Changing the HS code of final product on subsidiary 6-digit level from its components
  - 2. Achieving a local added value of no less than 30% of the product exworks price, for that reason:
    - The ex-works price of the product is calculated according to the average price within the previous three months of the date of application, and in certain cases, invoices of other periods may be accepted in certain cases, and that shall be applied to the raw materials.

Sixth: Despite article fifth (B), it shall not be considered substantial transformation on products in customs classification or the achievement of local added value of no less than 30% of the outcome of one or more operations operation or more of the following operations whether made separately or jointly:

- 1. preserving operations to ensure that the products remain in good condition during transport and storage (ventilating, diffusing, drying, cooling, keeping in salt, sulfur dioxide or other solutions, disposal of damaged parts, or similar processes).
- 2. Processes operated to facilitate the shipping or transporting the product.
- 3. Packing or preparing the products for sale.
- 4. Simple operations conducted on products including:

(Treatment with greasing or lubricating or rust removal, adding of a coating layer to protect against natural factors, sifting or sorting, dilution with water or other substance in a manner that doesn't substantially affect the properties of the product, breaking-up and assembly of packages, Washing, cleaning; removal of dust, oxidation (Corrosion), paint or other Coverings, ironing or pressing of textiles, simple painting and polishing operations, husking, partial or total bleaching, polishing, and glazing of cereals and rice, operations to colour sugar or form sugar lumps, classifying or grading, inspection and calibration, breaking-up or repacking, dividing goods, affixing marks, labels, or distinguishing signs on products packaging; dissolution in water or any water solution, lonization, salting, peeling, crushing, removing of fruit seeds, stoning and shelling, of fruits, nuts and vegetables, simple sharpening or grinding, simple finishing or simple cutting, sifting, screening, sorting, classifying, grading, matching; (including the making-up of sets of articles), simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations, affixing or printing marks, labels, logos and other like distinguishing signs on products or their packaging, simple mixing of products, whether or not of different kinds, simple assembly of parts of articles to constitute a complete article (where the process doesn't require a specialized skill or machines or special equipment) or disassembly of products into parts, slaughter of animals, paint removing or from protection layers, painting operations and simple polishing, liquid dilution operation using water or any other substance in a manner that doesn't produce a material with different properties.

Seventh: Validity period of granting the Jordanian origin is a year from date thereof.

Eighth: No type of accumulation between countries could be applied when granting non-preferential Jordanian Origin.

Ninth: In case the product didn't grant Jordanian Origin under the criteria mentioned herein, the product shall be given foreign origin provided on the certificate of Origin according to the following terms:

- "Foreign Origin/ simple manufacturing processes in Jordan"
- "Foreign Origin/ packaging and assembly processes in Jordan"
- If no manufacturing process was performed, the product shall be exported by its original "country-of-origin".

Tenth: Any conflicts that may arise from the application of these instructions on factories for non-preferential Jordanian Origin shall be viewed by a competent committee headed by the head of the Rules of Origin section, formed by the competent directorate in the Ministry.

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