

We, Hamza Bin Al Hussein, Viceroy of His Majesty the King of the Hashemite Kingdom of Jordan,

Pursuant to article (31) of the Constitution;

And based on Resolution of the Council of Ministers on 24/01/2001

Hereby ordain to promulgate the following Regulation:

Regulation No. (31) of 2001

Regulation on Registration of Enterprises in Aqaba Special Economic Zone

Issued pursuant to Clause (b) of Article (22) and Articles (24) and (56) of the Law No. (32) of 2001 on Aqaba Special Economic Zone, as amended

Article 1 - This Regulation shall be cited (Regulation on Registration of Enterprises in Aqaba Special Economic Zone Regulation of 2001) and shall come into effect as of the date of publication hereof in the Official Gazette.

Definitions

Article 2 - The following words and expressions, wherever stated in this law, shall have meanings designated hereunder unless the context otherwise implies:

Law	: Law on Aqaba Special Economic Zone.
Zone	: Aqaba Special Economic Zone.
Customs Territory	: The lands and territorial waters of the Kingdom excluding the Zone.
Authority	: The Authority of the Zone.
Board	: The Board of Commissioners.
Directorate	: The organizational unit with registration competence in in the Authority.
Director	: Director of the Directorate.
Enterprise	: The person who is entitled to apply for registration to exercise an economic activity within the Zone in accordance with the provisions of this Regulation.
Registered Enterprise	: The person registered with the Authority for exercising any economic activity within the Zone in accordance the provisions of the Law and this Regulation.
Professional Enterprise	: Medical clinics, engineering offices, law firms and the like, in which professionals exercise their activities in accordance with the provisions of the effective relevant legislation prevailing in the Customs Territory, and other similar enterprises, except for companies and sole trading proprietorships.
Economic Activity	: Any commercial, industrial, agricultural or service activity carried out by the Enterprise within the Zone.
Prohibited Activity	: The activity specified in Annex No. (1) to this Regulation.
Restricted Activity	: The activity specified in Annex No. (2) to this Regulation.

Registration of Enterprise

Article 3 - The Enterprise, seeking to benefit from the privileges and exemptions prescribed in the Law for the Registered Enterprise in the Zone, shall be registered to conduct an Economic Activity within the Zone in accordance with the provisions and procedures set forth in this Regulation.

Article 4 - The right of registering with the Authority in accordance with the provisions of this Regulation shall be limited to the following:

- a - Companies registered with the Companies Controller General in accordance with the provisions of the Companies Law and in compliance with the effective legislation in the Customs Territory.
- b - Non -Jordanian companies provided for in Clause (c) of Article (22) of the Law.
- c - Companies registered with the Companies Controller General in accordance with the provisions of the Companies Law and the provisions of this Regulations whose headquarters seated within the Zone and abroad.
- d - Sole proprietorships registered in the Commercial Registry in accordance with the provisions of the Commercial Law in effect and in compliance with the prevailing legislation within the Customs Territory.
- e - Professional Enterprises operating within the Customs Territory in accordance with the provisions of the relevant legislation.
- f - Non - commercial entities operating within the Customs Territory in accordance with the resolutions of the Board.
- g - Establishments and companies registered with the Jordan Free Zones.
- h - Joint ventures registered as registered enterprises with the Authority in accordance with the provisions of this Regulation, subject to documenting the joint venture with the notary public.

Article 5 - Notwithstanding the provisions of Article (4) of this Regulation:

- a - No Enterprise may be registered in the Zone to exercise any of the Prohibited Activities listed in Annex No. (1) to this Regulation.
- b - No Enterprise may be registered in the Zone to exercise any of the Restricted Activities listed in Annex No. (2) to this Regulation, but upon meeting the following conditions:
 - 1 - That the Enterprise is of the Enterprises listed in Annex (1) with regards to the activities stated therein.
 - 2 - Issuance of resolution by the Board on conducting the activities specified in Annex (2), provided that to comply with the conditions set out in the resolution and to pay the returns prescribed by the Board.
 - 3 - Termination of the concession contracts relating to the activities listed in Schedule No. (3), whereby the provisions of Annex (2) shall apply then thereto apply.
- c - No Enterprise shall be registered in the Zone if it exercises any of the public utilities activities, the performance of which is assigned to the private sector by the Authority or any other governmental body, but upon issuing a resolution by the Board allowing the same in accordance with the provisions of the legislation relating to such an activity within the Customs Territory and upon coordination with the relevant bodies.
- d - The Council of Ministers may, upon a justified recommendation of the Board, permit the registration of any Enterprise for exercising an Economic Activity of a special tourist nature, provided that the resolution issued in this respect is to contain the principles and conditions with which the Enterprise shall comply and determine the amount of returns resulting from the same.

Article 6 -A sole proprietorship or a company may be registered with the representative of the Ministry of Industry and Trade at the Authority, who is authorized to do so in accordance with the legal principles for purposes of registration thereof as a Registered Enterprise according to the arrangements agreed upon between the

Authority, the Ministry of Industry and Trade and the Companies Controller thereat.

Article 7 -

- a - The Board shall issue instructions relating to the application for registration of the Enterprise with the Authority, including the statements to be included in the application, on the form prepared for this purpose and the documents to be attached therewith.
- b - The Enterprise shall enclose with the application for registration thereof the documents required pursuant to the instructions referred to in Clause (a) of this Article, particularly the following:
 - 1 - A copy of the memorandum of incorporation and articles of Association for non -Jordanian companies as provided for in Clause (c) of Article (22) of the Law, endorsed by the competent authorities, provided that no more than six months as of the date of submitting the application have lapsed since the date of the first endorsement thereon.
 - 2 - An official power of attorney to the authorized signatory for the Enterprise in the Zone for non - Jordanian companies as provided for in Clause (c) of Article (22) of the Law.
 - 3 - Duly certified documents on legalization of the joint venture with the notary public.
 - 4 - A document establishing the satisfaction of the conditions and requirements set forth in Schedules No. (1) and (2) of Annex No. (2) and the resolutions issued by the Board pursuant to the provisions of Item Subclause (2) of Clause (b) and Clause (c) of Article (5) of this Regulation if the activity to be exercised in the Zone was a restricted activity.
 - 5 - The applicant for registration shall submit a declaration in writing on the authenticity of the data set out in the application and the statements therein included in the wording set forth in the application for registration, subject to legal responsibility.

Article 8 -

- a - The Directorate shall have the right to verify the data stated in the application and the documents enclosed therewith by the means it deems appropriate
- b - If the Directorate established that the statements and documents included in the application for registration and are incomplete, the applicant for registration shall be required to complete the same within the period it determines for this purpose, subject to disapproving the application.
- c -
 - 1 - Subject to the provisions of Subclause (2) of this Clause, the Director, or the designee thereof, shall issue the decision thereof on the application within a period not exceeding seven working days as of the date of the application, complete with all the required documents and statements, where the Directorate shall then issue a certificate on the same upon approving the application and paying the prescribed fees.
 - 2 - The Board shall pass its resolution on the application for registration for exercising any of the economic activities listed in Schedules (2) and (3) of Annex (2) and Clause (c) of Article (5) of this Regulation within the terms specified by it under instructions to be issued for this purpose.
- d -

- 1 - If the term specified in Subclause (1) of Clause (c) of this Article lapsed without the issuing a decision by the Director or the designee thereof on the application for registration, the application shall be deemed approved.
- 2 - If any of the terms referred to in Subclause (2) of Clause (C) of this Article lapsed without issuing a resolution by the Board with respect to any of the relevant applications for registration, the application shall be deemed disapproved.

Article 9 -

- a - Subject to the provisions of Articles (4) and (5) of this Regulation, the application for registration of an enterprise shall not be disapproved but for any of the following reasons:
 - 1 - If the activity requested to be exercised by the Enterprise in the Zone was inconsistent with the objectives thereof specified in its memorandum of incorporation or the legislation governing the activity thereof, as the case may be.
 - 2 - If the statements set forth in the application or the documents therewith enclosed were false or misleading.
 - 3 - If the applicant for registration was an Enterprise, whose registration was previously canceled for one of the reasons set forth in Clause (b) of Article (15) of this Regulation.
 - 4 - If the owner the registered Enterprise or a partner therein was convicted for committing a violation of the provisions of the law or for a felony involving morals, honor or trust turpitude, provided that the restriction on registration in such a case shall not exceed one year as of the date of convicting him/ her for the violation.
- b - The decision on disapproving the application for registration shall be justified and in writing, and may be objected with the Board within ten working days as the date serving the same upon the applicant for registration. The Board shall resolve on the submitted objection within three working days as of the date of submission thereof.

Article 10 - The activities set forth in Annex (1) shall be deemed as activities prohibited to be exercised within the Zone, subject to legal liability.

Article 11 - The activities listed in Annex No. (2) shall be deemed as Restricted Activities, which may not be exercised within the Zone but in accordance with the provisions of this Regulation, subject to legal liability. The restrictions on such activities shall be as follow:

- a - Limiting the legal form of the Enterprise.
- b - Limiting the number of enterprises conducting a certain Economic Activity.
- c - Limiting the nationality of Enterprise or the nationality of founders or partners thereof, or stipulating certain qualifications to be available therein.
- d - Restrictions related to the activities of public utilities, the exercise of which is assigned to the private sector by the Authority or any other governmental body.

Article 12 - Limiting the number of enterprises carrying out a certain Economic Activity shall not be permitted for the purpose of limiting competition unless for the requirements of public order or public interest such as the protection of the environment or natural resources or soliciting investment in public utilities.

Article 13 -

- a - The registration of an Enterprise shall not relieve it from the requirement of procuring the work commencement permit and the certificates of public safety and health necessary for commencing its activities in accordance with the provisions of the Regulation on Organization and Development of the Investment Climate applicable within the Zone.
- b - Notwithstanding the provisions of Clause (a) of this Article, the Board may, upon a submission made by the Director, relieve the Enterprise from procuring a work commencement permit in return for the conditions and guarantees prescribed by the Board for this purpose.

Obligations of the Registered Enterprise

Article 14 - The Registered Enterprise shall comply with the obligations stipulated in the Law and the regulations and instructions issued thereunder, including the following obligations

- a - Payment of the registration fee and the annual fee for every economic activity it exercises in accordance with the provisions of this Regulation.
- b - The foreign company registered in accordance with the provisions of Clause (c) of Article (22) of the Law shall provide the Directorate during the month of December of every year with a certificate issued by the relevant bodies in the country of its nationality proves the continual exercise of the economic activity by the said company
- c - C. Notifying the Directorate in writing within a period not exceeding fifteen days of any change to the registered statements thereof and the date of occurrence thereof, namely:
 - 1 - The Economic Activity it exercises.
 - 2 - The authorized signatories therefor.
 - 3 - The name, domicile or nationality thereof.
 - 4 - The legal status, insolvency, bankruptcy or liquidation thereof.

Article 15 -

- a - The Director or the designee thereof may cancel the registration of the Registered Enterprise in any of the following cases:
 - 1 - Upon establishing that any of the statements included in the application or the documents enclosed therewith is untrue.
 - 2 - If the registered enterprise intended to cancel the registration thereof by a request in writing to be submitted.
 - 3 - If it has unlawfully admitted goods into the Customs Territory.
- b - The Board shall cancel the registration of the Registered Enterprise in any of the following cases:
 - 1 - If it exercised a Prohibited Activity in violation of the provisions of this Regulation.
 - 2 - If it exercised a Restricted Activity in violation of the provisions of this Regulation.
 - 3 - If it has violated the provisions of Article (14) of this Regulation and did not remedy the violation upon the lapse of thirty days as of notifying it of the same by registered mail.
 - 4 - In case of decision on canceling the permit granted thereto in accordance with the Regulation on Organization and Development of the Investment Climate in Aqaba Special Economic Zone.

- 5 - If it ceased to exist for any of the legal cessation reason. For this purpose, the death of the owner of the sole proprietorships registered as a Registered Enterprise shall not be deemed as a legal cessation reason.
- c - The registration of the Registered Enterprise shall be legally canceled if not renewed within one year as of the date of expiry thereof.

Article 16 - The authority shall collect the following fees:

- a - One thousand Dinars as an enterprise registration fee.
- b - Five hundred Dinars as an annual fees for every economic activity exercised by the Enterprise.

Article 17 - Subject to the provisions of this Regulation relating to the imposing any administrative penalty upon the Enterprise, the provisions of Article (54) of the Law shall apply to whoever commits any of the following violations:

- a - Exercising a Prohibited Activity in the Zone.
- b - Exercising a Restricted Activity in the Zone in violation of the provisions of this Regulation.

Article 18 - Joint venture companies registered in accordance with the provisions of this Regulation shall be deemed as liable in joint and several for any violation committed with the Zone.

Article 19 - The Authority may use electronic means to process its transactions relating to the registration of enterprises whenever possible.

Article 20 -

- a - The Council of Ministers may, upon a submission made by the Board, make any amendment to Annexes (1) and (2) to this Regulation. The resolution issued in this respect shall be published in the Official Gazette, specifying effective date thereof.
- b - The Board may resolve on any matter relating to the application of the provisions of Annexes (1) and (2) to in this Regulation.

Article 21 -

- a - The Board shall issue the instructions necessary for implementing the provisions of this Regulation, particularly the following:
 - 1 - Determining the forms of applications for registration and other forms.
 - 2 - Procedures of registration and objection to the resolutions issued thereon.
 - 3 - Adoption of the registration certificates and forms.
 - 4 - Determining the charges collected by the Authority for the services it renders.
- b - The instructions issued pursuant to this Regulation shall be published in the Official Gazette.

24/01/2001

Annex (1)
Prohibited Activities

- 1 - Manufacturing, storage and trading in firearms, ammunitions and explosives.
- 2 - Manufacturing, storage and trading in radioactive or nuclear materials or environmentally hazardous materials.
- 3 - Manufacturing, storage and trading in hazardous, toxic or poisonous materials, except for the requirement of permitted industry under the relevant legislations in effect within the Customs Territory.
- 4 - Printing banknotes, stamps and coins.
- 5 - Production of and trading in active biological and genetic materials.
- 6 - Any other activities as resolved by the Council of Ministers.

Annex (2)
Restricted Activities

Schedule (1)

Activities the exercise of which is governed to a restriction relating to the legal form of the Enterprise:

Legal services	In accordance with the provisions of Clauses (a) and (e) of Article (4) of this regulation.
Auditing	In accordance with the provisions of Clauses (a) and (e) of Article (4) of this regulation.
Maritime navigation agents	In accordance with the provisions of Clauses (a) and (d) of Article (4) of this regulation.
Financial services	In accordance with the provisions of Clause (a) of Article (4) of this regulation.
Insurance and reinsurance	In accordance with the provisions of Clause (a) of Article (4) of this regulation.
Tourism and travel agents	In accordance with the provisions of Clauses (a) and (d) of Article (4) of this regulation.
Engineering services	In accordance with the provisions of Clauses (a), (d) and (e) of Article (4) of this regulation.
Mining services, except for quarries	In accordance with the provisions of Clause (a) of Article (4) of this regulation.
(land/ sea) cargo agent services	In accordance with the provisions of Clauses (a) and (d) of Article (4) of this regulation.
Construction contracting activities	In accordance with the provisions of Clauses (a) and (d) of Article (4) of this regulation.

Schedule (2)

Activities the exercise of which is governed to a restriction relating to the limitation on the number of Enterprises exercising the same:

Activity
Public transport of passengers
Taxi services
All kinds of commercial fishing
Extraction of underground water
Lottery
Communication services except for (internet service providers)
Electricity generation
Mining and other exploration industries except for quarries
Newspapers and periodical printed matter
Radio and TVC programming and broadcasting services
Cement industry
Tanning
Air transport
Massage
Importation and distribution of natural gas, and establishing storage tanks within the Kingdom, and natural gas pipeline and storage services.

Schedule (3)

Activities the right to exercise of which is limited to the entities hereunder under their concession contracts:

Date of expiry of concession	Concession holder	Activity
2008	Jordan Petroleum Refinery Co.	Oil refining, distribution and storage
2035	Arab Bridge Maritime Co.	Goods, passenger and mail transport between Aqaba and Nweibe'a
2058	Arab Potash Co.	Extraction, manufacturing and distribution of Potash

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