

WORLD TRADE ORGANIZATION

G/SCM/N/71/JOR
7 March 2002

(02-1156)

Committee on Subsidies
and Countervailing Measures

Original: English

SUBSIDIES

New and Full Notification Pursuant to Article XVI:1 of the GATT 1994 and Article 25 of the Agreement on Subsidies and Countervailing Measures

JORDAN

The following communication, dated 28 February 2002, has been received from the Permanent Mission of Jordan.

With reference to Jordan's request pursuant to Article 27.4 of the Agreement on Subsidies and Countervailing Measures (document G/SCM/N/74/JOR) in compliance with the procedure in document G/SCM/39, Jordan has the honour to enclose herewith the background information pursuant to the procedure in document G/SCM/6, given that notification pursuant to Article 28.1(a) was made on 11 May 2000 in document G/SCM/N/2/JOR.

Jordan's Income Tax Law No. 57 of 1994 and its amendments, which authorize partial or total exemption from income tax for profits on certain exports, and Decision No. 3394 of 1994 pursuant to this law, which exempted from income tax profits on all exports (except phosphate and potash) to non-protocol countries and territories. The latter decision came as a result of the negative effects of the Gulf War on Jordan's economy and exports and hence the government's attempt to encourage Jordanian producers to diversify production and focus on non-traditional markets.*

Table 1 - Income Tax Relief by HS Chapters in
US\$ for Jordan in 2001

Chapters	Export value	No. of Exporters	Income Tax Relief
1-5	5,218,732	61	78,281
6-14	2,280,430	154	34,206
15	1,564,091	27	23,461
16-24	22,420,887	274	336,313
25-27	72,660,924	99	1,089,914
28-38	262,516,419	627	3,937,746
39-40	17,386,955	321	260,804
41-43	444,863	18	6,673
44-46	186,399	26	2,796
47-49	23,159,357	217	347,390

* Programme description can be found in document G/SCM/N/2/JOR.

Chapters	Export value	No. of Exporters	Income Tax Relief
50-63	25,895,318	433	388,430
64-67	1,310,101	41	19,652
68-70	1,788,985	92	26,835
71	4,872,460	14	73,087
72-83	16,668,622	273	250,029
84-85	23,405,235	240	351,079
86-89	109,723,888	50	1,645,858
90-92	375,598	16	5,634
94	1,346,436	226	20,197
95	150,487	8	2,257
96	163,702	15	2,456
97	24,698	6	370
Total	593,564,589	3,238	8,903,469
