

Brainstorming sessions mark the start for national export development strategy



Jordan Chamber of Commerce Deputy Chairman Issa Murad (left), Industry and Trade Minister Amer Hadidi (second from left), Chairman of Jordan Chamber of Industry Hatem Halawani (third from left) and ITC EnAct Regional Programme Coordinator Torek Farhadi during the launch of a national export development strategy yesterday (Photo courtesy of JEDCO)

By Abeer Numan

AMMAN - Representatives from the public and private sectors began on Monday brainstorming sessions to draft a national export development strategy.

The sessions marked the launch of joint collaboration between the International Trade Centre (ITC) EnACT and Jordan Enterprise Development Corporation (JEDCO) to formulate the strategy within a year.

EnACT, “Enhancing Arab Capacity for Trade” is an ITC technical assistance facility, funded by the Canadian International Development Agency.

Speaking to The Jordan Times, Industry and Trade Minister Amer Hadidi underlined the importance of the envisaged strategy.

“This intervention is important to help boost the industry, investments and exports,” he said.

“Attempts to develop a similar document were made in 2001 and 2002, but those efforts did not materialise”, Hadidi, who is also JEDCO board of directors’ chairman, told the Jordan Times, noting the importance of the effort underway.

Underlining the importance of trade to the economy, the minister said exports began to regain their strength this year after dropping in 2009 as a result of the international financial crisis.

The value of Jordanian national exports rose at the end of August 2010 by 16 per cent, Hadidi pointed out.

According to the Department of Statistics (DoS) figures, the value of national exports rose to JD2,721 million from JD2,346 million at the end of August last year.

Moreover, total exports fell to \$6.989 billion in 2009 from \$7.782 billion in 2008, while the country’s imports totalled \$12.31 billion in 2009 which was lower than the \$14.99 billion imported in 2008, according to

Economywatch.com. Re-exports also declined sharply during the recession, the website said.

In his address, the minister said through drafting the strategy, the main focus will be on what to export rather than what exporters want from the government or what the government wants from them.

“Jordan’s economy is doing so well and it is time to invest its efforts to do even better,” ITC EnAct Regional Programme Coordinator Terek Farhadi said during an interview with The Jordan Times yesterday.

Underlining the upcoming strategy, Farhadi said: “It will allow policy makers decide on what they should do better to increase exports.”

The strategy will help stakeholders recognise the exports which have the highest value and work to increase them. It will also help them to recognise potential export markets, he said, citing the Gulf markets as an example.

Moreover, it will assist the various stakeholders to tackle and overcome challenges, he noted.

During the strategy formulating process, stakeholders will have the chance to map out challenges and points of strength from product registration through logistic requirements, JEDCO’s Chief Executive Officer Yarub Qdah said.

“Also through the strategy, an export council will be created and this will help systemise the public-private sector partnership”, he added.

Taleb Awad, director of the University of Jordan Economic Observatory, underlined the proposed blueprint seeking to boost exports’ value.

The growth of economy is driven by two forces: Local investments (to accelerate the industry and competitiveness of local products) and foreign investments (which contribute to exports), he indicated.

Noting that Jordan has a large trade deficit, he said the strategy should accelerate exports’ growth in order to exceed imports, and thereby contribute to deficit reduction over time. It will also help to sustain the stability of the local currency, Awad elaborated.

At the end of August 2010, the trade deficit stood at about JD3,857 million compared to JD3,459 million at the end of the same month last year, according to the DoS figures.

Jordan’s foremost exports include pharmaceuticals, minerals and fertilisers as well as fruits and vegetables while its main imports are oil and cereals. The country also has the potential to export different services.

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