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EMBASSY OF THE HASHEMITE KINGDOM OF JORDAN  
Ambassador's Office  
CANBERRA

**Mr. Andrew Dawson**

**Inquiry Secretary – Trade**

**Joint Standing Committee on Foreign Affairs, Defence and Trade**

**Parliament House, Canberra ACT 2600**

**Dear Mr. Dawson,**

Thank you indeed for your message dated 17 February 2015. After reviewing the Proof Committee Hansard of the sub-committee on Trade with regard to Australia's trade and investment relationships with countries of the Middle East, I find that it is correct, and thus has no further suggestions in this regard. Moreover, please find attached answers to some of the further questions tabled by the trade sub-committee that I find answering them is of interest to Jordan's trade and investment relations with Australia.

**Sincerely yours**

**Ambassador**

**Rima Alaadeen**

## **Trade Agreements:**

**How likely is it that countries such as Jordan may consider joining a GCC trade bloc within the next decade?**

Jordan has been in very close relations with the GCC, and cooperation between Jordan and the GCC is considered high at all levels. The current stand after the recent round of talks on membership which was proposed by the GCC, is that Jordan's advanced cooperation agreement with GCC is considered as a basis for advancing the political and economic harmonization process which will lead at the end to a GCC membership.

## **Investment and Sharia Financing:**

**Do you believe that the legislative changes made by the state of Victoria to recognize Islamic finance and avoid double stamp duty on some Islamic finance transactions would make a difference in encouraging some investors?**

We believe it will make a difference. In Jordan there are both Islamic and non-Islamic finance, but many investors opt for the Islamic finance transactions as a matter of religious belief and finance security. This sector has been thriving in the Arab World. Many countries around the world have recognized the Islamic finance and transaction due to its development and secured dividends; an example is the UK.

**Does the absence of double taxation treaty between Australia and MENA nations loom as a significant issue to overcome to attract investment and what other obstacles are there?**

The absence of double taxation agreements is one of the obstacles that hinder the flow of investment both ways. There is a need to start discussions on signing double taxation agreements with the Arab countries including my country Jordan. The other obstacles include the Australian taxation system with regard to foreign investments, which needed to be revisited, as well as the protection measures imposed by Australia on imports from Jordan and the Arab countries.

## **State trade missions and Australia's diplomat presence:**

**If Australian federal government ministers made more frequent visits to MENA nations and hosted more trade and investment missions in the region and also to Australia – does that help much with attracting more business, investment and students to Australia?**

It will help, as the best means to enhance trade and investment is to bring traders and business people face to face in an atmosphere where that can discuss the possibility of cooperating in trade and in establishing joint ventures. People to people contact has been the best way to also encourage cooperation in other sectors like higher education; where academics should meet and discuss the possibilities of academic exchange; the same applies on tourism where the best method of enhancing this sector is to bring private sector investors in tourism together to look into possibilities of cooperation.

**Visas, Tourism and Education:**

**How does the Australian visa system for tourists, students, business people and cultural exchanges from the Middle East compare to those of the United States, United Kingdom, Canada and New Zealand, and does it impact on visitor numbers and those wanting to study or do business in Australia?**

The Australian visa is one of the most complicated visas in the world especially for students. There are more than 33 pages to fill, and documents to provide that are more than any requirements of other countries to obtain a visa, including the US and the UK. We believe that the Australian visa system has to be revisited and in order to simplify its measures and requirements to encourage businesspersons, students and tourists to choose Australia as a destination for their ends.

**Are some Australian universities as highly regarded as universities in the United States on United Kingdom by Middle Eastern families, and if not, why not?**

Some Australian universities such as the ANU and Macquarie universities are highly regarded in Jordan, but students are still facing the visa problem and the uncertainty with regard the tuition fees; as it is still unclear if laws regarding the new tuition fees will pass through the parliament, and it is also still unclear how it will affect the tuition expenses of foreign students.

## **Live animal exports and airlines:**

**How is Australia's Exporter Supply Chain Assurance System for live animal exports viewed in your country and has it had a positive impact on the livestock trade in sheep and cattle and the slaughter techniques?**

We believe that fully implementing these regulations did not leave room for implementing other requirements with relation to cultural norms or religious instructions, as the Australian requirements did not take into consideration the religious, cultural and traditional aspects.

Implementing these regulations requires special equipment and preparations that can be expensive and not available for all traders and therefore, a certain company or a very limited number of companies will monopolies importing live sheep from Australia.

Implementing them has also led to the emergence of a black market in parallel to the official markets which makes it difficult for Jordanian official authorities to track and control.

The difficulty of implementing these regulations has led to the traders being reluctant to import and trade with Australian sheep.

Based on the above-mentioned observations which emerged in the previous period, the following suggestions may be taken into consideration:

Accrediting all slaughterhouses in provincial centers by providing them with the required equipment and training,

Setting up distribution centers for live sheep in provincial centers and prepare it according to the standards of the Exporter Supply Chain, and principles of the Australian Animal Welfare to make it easier for most of Australian sheep consumers to reach and purchase.

**Is access to live sheep and cattle from Australia important for your country or is demand growing for chilled Australian meat?**

The demand is still high for live sheep due to cultural and religious reasons. The demand for chilled meat is not growing as preference is still for live sheep meat.

### **Possible questions on tariffs and non-tariff trade barriers in MENA**

**Why does Jordan require temperature probes in containers transporting meat which add cost and inefficiency, when this is not a requirement in the UAE and Saudi Arabia?**

To simply answer this question we can say that the temperature probes requirement was introduced after a painful experience with some importers. These strict regulations are needed to guarantee the hygienic conditions during food transportation and food safety for Jordanian consumers.

### **Possible questions on shipping document legislation costs**

With regard to both questions:

The Embassy of the Hashemite Kingdom of Jordan in Canberra applies no fees on legalizing trade documents in line with the WTO regulations; which stipulate excluding certificates of origin, health certificates and trade invoices of any fees; however and due to the Jordanian legalization system, the documents still have to be legalized by the Embassy after being authenticated by the Australian Arab Chamber of Commerce and industry. This is due to the fact that the Ministry of Foreign Affairs of Jordan can only authenticate documents which have been previously authenticated by Jordan's Missions due to its unfamiliarity with all the commerce chambers around the world.