

Setting up a Home Based business & other Business; basic facts from AMMAN and AI MAFRAQ

UNHCR , Legal Unit

References :

The following exploration is based on existing laws and regulations

(Commercial Law No.12 of 1966, Companies Law No. 22 of 1997, Vocational License Law No.20 of 1985.)

In addition we discussed instructions applied in each directorate .

Registration :

Home based businesses are more frequently registered as:

- 1- Individual establishment .
- 2- Limited liability company .
- 3- General partnership company .

Or any other company type that can be established with a small capital and mitigated conditions .

Individual establishments registration

In Amman

Ministry of industry and trade :

- Syrians and non- Jordanian are allowed to register individual establishments with a minimum capital of 1000 JOD .
- Allowed sectors are : tourism , manufacturing , agriculture .
- Small projects e.g. : making cake, pickle's , small artisanal work , making of handwoven textiles, painted ceramics are allowed .
- An approval from the Ministry of interior shall be obtained by the non-Jordanian founder .
- An approval from the greater Amman Municipality is requested .
- Chamber of commerce registration is not required incase of HBB.
- **Valid passport** is requested as ID .

Company registration

- Non-Jordanian can register their own companies with respect to the regulation number 77 of the year 2016 for regulating the non Jordanian investments .
- This regulations stipulate ratio/quotas and activities that are open to non Jordanian.
- Vocational license requirement's are applied .

Greater Amman Municipality: vocational licenses

After finishing the registrations requirement's from the Ministry of industry and trade , an vocational license is to be obtained from the municipality in order to practice the activity; the person requesting has to provide:

- The location of the premises on a Greater Amman Municipality (GAM) map
- Occupancy permit issued by GAM and usually obtained by the landlord
- A copy of the property deed or lease agreement from the landlord.
- Inspection to check the required specifications of each activity .
- If a number of artisans are practicing the same craft they can share one vocational license to practice that craft.
- A total of 42 profession can be practiced from home.
(knowledge-based professions , crafts , food processing.....).

Al-Mafraq

Chamber of Commerce and Industry and Trade Directorate in Al Mafraq :

- Individual establishments are not allowed to be registered by non-Jordanian and Syrians
- Non-Jordanian and Syrians founders resort for “Simulated partnership “.(a contract with a Jordanian to be the official owner before the government since they can register any type of business . The non Jordanian partner will be considered as a “hidden” partner).
- Non Jordanian can be appointed as a signatory at the registration certificate to control the establishment and as a protection tool .
- A valid passport is required in addition to the MOI card for Syrians to be appointed as a signatory
- Company is registered at the company controller in accordance to the regulation number 77 of the year 2016 for regulating the non Jordanian investments .
- Businesses will have to be members of the chamber of commerce .

Same requirements

- Requested ID for the founder : Valid passport
- Individual establishments registration approval
- Company registration's in accordance to existing

investment regulations

Differences.

- Chamber of commerce membership
- Licensing of competent departments

Advocacy points

- The passport replaced with the MOI card for Syrians refugees to allow refugees to have their own small business, this advocacy is important since nothing can be registered or started without it
- To facilitate the registration procedure for the non- Jordanian and Syrian refugees by expanding the number of the allowed sectors and activities and alleviate the required specification's .