



TEXTILE AND APPAREL SECTOR PROFILE



Invest Jordan

Textile and Apparel Sector Overview

WEAVING THE TAPESTRY OF OPPORTUNITIES

Jordan's textile and apparel sector is one of the country's most lucrative, competitive, and promising sectors. With a skilled, cost-effective workforce, high-quality production outputs, and a commitment to technological innovation, the sector has the potential to cater to a growing international market. Furthermore, with sustainable, eco-friendly practices being actively championed and adopted throughout the industry, Jordan is rapidly distinguishing itself as a forward-thinking leader in responsible textile and apparel manufacturing, in line with global trends.

Jordan's Economic Modernization Vision (EMV) 2023-2033 identifies the textile and apparel sector as one of the country's key high-value industries. The sector is expected to generate thousands of jobs over the next decade, representing around 15% of target employment by 2033.

Investing in Jordan's textile and apparel sector presents an array of unique and lucrative opportunities for local and international investors. With the numerous advantages and strengths of the industry, coupled with the Jordanian government's concerted efforts to promote and foster growth, the country's textile and apparel sector is poised to flourish over the next decade—and beyond.

Highlights of Jordan's Textile and Apparel Sector

- Increased Market Share

Exports of textiles and apparel products from Jordan have grown steadily, and the sector continues to expand into new markets worldwide. This success can be attributed to the sector's commitment to producing high-quality garments, as well as the country's strategic location, which provides easy access to key international markets.

- Highly Transformative Sector

Jordan's textile and apparel sector has undergone significant transformation in recent years, due in large part to the integration of modern technological advancements, which have improved efficiency and reduced labor costs. Such technological advancements have enabled local manufacturers to meet growing global demand while maintaining high quality and low production costs.

- Increased Foreign Direct Investments (FDI)

Jordan has attracted significant foreign direct investments in the apparel and textile sector over the last several years. The government's pro-business policies, attractive investment incentives, and competitive labor costs have played a crucial role in drawing international investors to the industry.

- Partnerships with Global Brands

The sector's reputation for high-quality textile and apparel production has led to numerous successful partnerships with major international brands. As well as increasing the visibility of Jordan's textile and apparel industry, these collaborations have underscored its ability to meet the stringent quality standards of global companies.

- Workforce Development

The Jordanian government and private sector have both invested heavily in workforce development initiatives, providing vocational training programs tailored to the textile and apparel industry. Additionally, a sector skill council was established to identify critical skills needed in the industry, detect the qualifications available in the labor market, and design training courses and programs to minimize skill gaps.

The textile and apparel sector has played a significant role in promoting women's employment in Jordan. Many companies in the industry actively recruit and train female workers (who currently represent more than 75% of the sector's total workforce), providing them with valuable skills and stable job opportunities. This has empowered women and also contributed to the overall socioeconomic development of the country.

WHY INVEST IN JORDAN'S TEXTILE AND APPAREL SECTOR?

- High-Quality Production

As the global demand for high-quality textiles and apparel continues to grow, Jordan is well-positioned to meet this demand. The country already has a solid reputation for producing high-quality garments. This has helped local industry players secure contracts with major international brands and enabled the sector to attract new investors and expand its product range. Today, Jordan's industry produces a wide array of products across 10 sub-sectors, including ready-to-wear garments, technical textiles, and home furnishings.

- Innovation and Sustainability

Jordan's textile and apparel sector has made a concerted and strategic effort to prioritize innovation and sustainability across all operations and sub-sectors. Many companies have adopted advanced technologies to improve efficiency and reduce their environmental impact. The sector's focus on sustainability has also attracted eco-conscious investors, who recognize the enormous potential for growth in sustainable and ethical fashion. As a result, Jordan is increasingly being recognized as a responsible manufacturing hub, further enhancing its appeal as an investment destination.

- Skilled and Cost-effective Workforce

Another important factor driving investment in Jordan's textile and apparel industry is its skilled and cost-effective workforce. The country boasts a young and well-educated population, with a literacy rate of 98%. Furthermore, Jordan has a well-established vocational training system, which is continuously being upgraded to meet the evolving needs of the industry. Jordan also offers competitive labor costs compared to other countries in the region. This cost advantage, coupled with the country's high-quality workforce, is instrumental in attracting foreign investments and driving the growth of the sector.

- Export-oriented Manufacturing Hubs

The establishment of export-oriented manufacturing hubs in key industrial zones has been instrumental in attracting foreign investments and promoting textile and apparel export growth. These hubs, equipped with state-of-the-art infrastructure and facilities, provide a favorable environment for investors to set up their operations and serve international markets.

- Diverse Investment Opportunities and Government Incentives

Jordan's textile and apparel sector offers a wide array of investment opportunities, bolstered by a variety of government incentives, such as tariff- and quota-free access to the US market. These opportunities cover a wide range of sub-sectors and operations, including technical textiles, sustainable manufacturing, design innovation, and vertical integration. Investors can capitalize on these various opportunities to build a diversified and robust portfolio within the industry.

- **Technical Textiles:** This segment includes specialized textiles for specific uses and functions, including protective clothing, medical textiles, automotive fabrics, and sports apparel.

- **Home Textiles and Furnishings:** There is significant potential for growth in the production of home textiles and furnishings, including the production of bedding, curtains, and upholstery.

- **Niche Apparel:** Investments in niche apparel segments like sportswear, performance wear, and luxury fashion can help investors differentiate themselves from competitors and target high-value market segments. These segments often demand specialized skills and knowledge, which can be developed through targeted training and partnerships.

• **Vertical Integration:** Investment in the vertical integration of the supply chain can help companies reduce costs, improve efficiency, and have better control over their production processes. Opportunities for vertical integration include investing in facilities for the spinning, weaving, knitting, dyeing, and finishing of textiles, which can help further position Jordan as an end-to-end production hub.

Insights

- Textile and apparel manufacturing contributes total 600 million USD to GDP.
- 1.8 Billion USD export value.
- Jordan's textile and apparel sector employs 76,000 workers.



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