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Global
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Jordan

National Report 2023/2024



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Forewords

H.E. Ahmad Hanandeh, the Minister of Digital Economy and Entrepreneurship

The Ministry of Digital Economy and Entrepreneurship, in collaboration with the Center for Strategic Studies (CSS) at the University of Jordan, the German Jordanian University (GJU) and the German Agency for International Cooperation (GIZ), is pleased to present the Global Entrepreneurship Monitor (GEM) National Report-Jordan 2023/2024. This report serves as a mirror reflecting the reality of entrepreneurship in our country, providing a comprehensive analysis of the entrepreneurial landscape based on reliable data and coherent scientific methodology.

Jordan has embarked on a path to become a centre for innovation and entrepreneurship in the Middle East region. Our country possesses the necessary ingredients for economic success, thanks to its rich history, talented and ambitious workforce and strategic location on convergent continents. This report reaffirms our commitment to fostering a supportive environment for entrepreneurship through the implementation of policies and initiatives to attract investment, support startups and create employment opportunities. As we move forward, our vision is clear: to position Jordan as a regional leader in innovation, technology and entrepreneurship while inviting investors and entrepreneurs from all over the world to join us in the journey of growth and prosperity.

The Global Entrepreneurship Monitor (GEM) National Report-Jordan 2023/2024 aims to shed light on the reality of entrepreneurship in Jordan, identify the challenges it faces and help guide policies and strategies towards encouraging entrepreneurship and innovation, thereby contributing to economic and social development in Jordan. The comprehensive view provided by this report on the state of entrepreneurship in our country, including an analysis of achievements and challenges faced by the entrepreneurial landscape during the specified period, aims to stimulate national dialogue on ways to support entrepreneurs and provide the appropriate environment for their prosperity.

In recent years, entrepreneurship in Jordan has experienced a strong boost, as evidenced by the results of two surveys included in this report: the Adult Population Survey (APS) and the National Expert Survey (NES). In terms of the APS indicators, the report shows a significant improvement in the Total Early-Stage Entrepreneurial Activity (TEA) index, which is one of the key dimensions of this survey, with a leap from rank (34) in 2019 to rank (15) in 2023. This improvement is considered a remarkable achievement for Jordan, placing it second among Arab countries participating in the report. These positive results reflect the

kingdom's commitment to supporting an entrepreneurial culture and creating a conducive environment for starting new ventures. Similarly, the index of knowing someone who has started a new business in Jordan has also seen a significant improvement, with an increase of the kingdom's ranking from (36) in 2019 to (20) in 2023. This increase indicates a growing awareness among individuals in Jordan of the importance and opportunities of entrepreneurship, underscoring the kingdom's ability to provide an attractive environment for entrepreneurs.

Regarding the results of the National Expert Survey (NES), Jordan has also made significant progress, ranking (13th) in the Government Policies Index for Support and Relevance, achieving a progress of (4) positions from 2019. Jordan has also advanced in the indexes related to Government Policies on Taxes and Bureaucracy, Government Entrepreneurial Programs and Ease of Market Entry, ranking (23rd), (18th) and (18th), respectively, demonstrating significant progress compared to 2019. This notable progress reflects the role of public policy for entrepreneurship and the national strategic plan (2021-2025) implemented by the Ministry aimed at creating a friendly, nurturing and stimulating environment for entrepreneurship in the kingdom and removing barriers to ensure the maximisation of the economic potential of the Jordanian entrepreneurial ecosystem and its growth.

In conclusion, we would like to thank all those who contributed to preparing this national report, and we look forward to working with various relevant entities to achieve its objectives. We hope that this report will serve as an important reference for decision-makers, investors, supporting institutions, entrepreneurs and all those interested in the field of entrepreneurship in Jordan.



(GJU President)

At the German Jordanian University (GJU), we strongly support national research activities in the fields of innovation, entrepreneurship and economic development. Through the Deanship of Innovation, Technology Transfer and Entrepreneurship at GJU and in cooperation with the Ministry of Digital Economy and Entrepreneurship (MoDEE), the Center for Strategic Studies (CSS) at the University of Jordan and the German Agency for International Cooperation (GIZ), we are very excited to present the Global Entrepreneurship Monitor (GEM) National Report-Jordan 2023-2024.

It is noteworthy to mention that this national report has particular significance as it is Jordan's first comprehensive evaluation of entrepreneurship following the aftermath of the COVID-19 pandemic. It sheds light on the potential of Jordanian entrepreneurs to adapt to new challenges, offering valuable insights for policymakers, researchers, etc. This study's primary objective is to provide a comprehensive analysis of Jordanian entrepreneurial activities, individuals' aspirations and attitudes and the sustainability of economic growth.

Our profound gratitude and great appreciation go to all those who were the pillars and whose painstaking work contributed to the production of the Global Entrepreneurship Monitor (GEM) National Report-Jordan 2023-2024. Their contribution to the production of this report undoubtedly has its own impact on the culture of entrepreneurship and innovation in our country. We call for all Jordanian experts and organisations working in the fields of innovation and entrepreneurship to review the results and recommendations provided in this report and make every effort possible to implement the recommendations to improve relevant policies, procedures and services. Jordan has a lot to offer entrepreneurs and businesses, and we are confident that it will continue to be an attractive place for young innovators and successful start-ups.

Prof. Ala'aldeen Al-Halhouli



(CSS Director)

The Center for Strategic Studies (CSS) at the University of Jordan, in collaboration with the German Jordanian University (GJU) and the Ministry of Digital Economy and Entrepreneurship (MoDEE), and with support from the GIZ-Entrepreneurship for Sustainable Economic Development and Employment in Jordan (E4DE), has carried out this significant study. The Jordan National Report from the Global Entrepreneurship Monitor (GEM) is a pioneering initiative in Jordan, leveraging survey data from a representative national sample and insights from 42 national experts. This study is underpinned by data gathered through a global tool implemented by the CSS.

It delves into a wide array of information on various facets, including established and nascent businesses, key drivers for fostering entrepreneurial ventures in Jordan and the primary challenges influencing the decision to establish new enterprises. The findings and analysis will be accessible on the GEM, MoDEE, GJU and CSS websites, offering valuable resources for researchers exploring entrepreneurship dynamics in Jordan.

Established in 1984, the CSS was founded as a research unit focusing on regional conflicts, international relations and security. Over the years, it has expanded its research scope to encompass long-term strategic studies in democracy, rule of law, governance, media, healthcare, education, gender equality, judiciary, environment, pluralism and social development policies. Additionally, the CSS addresses economic development matters like holistic economic policies, labour market dynamics, investments and trade.

In the autumn of 2023, the CSS conducted the Adult Population Survey (APS) and engaged local experts through the National Expert Survey (NES) for the third consecutive time; the first time was in 2016/2017, and the second time was in 2019/2020.

Director, Center for Strategic Studies (CSS)
Dr. Zaid Eyadat



GIZ Employment Cluster in Jordan

In an era defined by dynamic global economies, innovation and resilience, entrepreneurship stands as a cornerstone of progress and prosperity. The Global Entrepreneurship Monitor (GEM) has consistently illuminated this reality, showcasing how entrepreneurship is not just a driver of economic growth but a fundamental force shaping the landscape of societies worldwide. It plays a pivotal role in addressing environmental and societal challenges, reflecting its profound impact on sustainable economic growth.

The GEM's findings demonstrate that entrepreneurship is not merely a buzzword but an essential component of national economies. Through its meticulous research and insightful analysis, GEM has revealed that higher entrepreneurial earnings not only contribute to national income and tax revenue but also enhance national competitiveness, fostering environments ripe for sustainable development and inclusive growth.

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, on behalf of the Government of the Federal Republic of Germany, and in cooperation with its political partner in Jordan, the Ministry of Digital Economy and Entrepreneurship (MoDEE), promotes entrepreneurship as a catalyst for transformative and sustainable change. GIZ and its partners recognise the power of data in informing evidence-based strategies, enhancing project efficiency, and driving impactful outcomes. It is through this systematic approach that GIZ and its partners strive to create meaningful impact and foster ecosystems that empower individuals and drive collective progress for a future worth living.

We extend our heartfelt appreciation to the dedicated esteemed national team members including the Center for Strategic Studies, the German Jordanian University and MoDEE. Their unwavering commitment and determination have been instrumental in crafting and implementing this comprehensive report.

We encourage all stakeholders and individuals to delve into the wealth of data presented herein. Let us collectively harness this knowledge to guide our current and future interventions.

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Abbreviations

- National Expert Survey (NES)
- Adult Population Survey (APS)
- Baby Businesses (BB)
- Established Businesses (EB)
- Nascent Businesses (NB)
- National Entrepreneurship Context Index (NECI)
- Entrepreneurial Framework Conditions (EFC)
- Entrepreneurial Employee Activity (EEA)
- Established Business Ownership (EBO)
- Total early-stage Entrepreneurial Activity (TEA)
- United Nations Sustainable Development Goals (UN SDGs)
- Global Entrepreneurship Monitor (GEM)
- Center for Strategic Studies (CSS)
- Ministry of Digital Economy and Entrepreneurship (MoDEE)
- the German Corporation for International Cooperation (GIZ)
- German Jordanian University (GJU)
- Research & Development Transfer (R&D Transfer)
- The Initial Public Offering (IPO)
- Gross Domestic Product (GDP)
- Nascent Entrepreneurs (NE)
- Startups (SU)





Executive Summary

The Global Entrepreneurship Monitor (GEM) is the world's largest and longest-running research study on levels of entrepreneurial activity. In 2023, Jordan participated in the GEM report under the coordination of the German Jordanian University's Deanship of Innovation, Technology Transfer, and Entrepreneurship (DI-TECH), in collaboration with the Center for Strategic Studies (CSS) at the University of Jordan. The project was implemented in collaboration with the Ministry of Digital Economy and Entrepreneurship (MoDEE) and supported by the German Corporation for International Cooperation (GIZ). During the project, the Adult Population Survey (APS) was conducted, involving a random sample of 2400 Jordanians with a wide demographic and geographic representation. Further, 40 Jordanian experts were interviewed to investigate their evaluation of the entrepreneurial ecosystem in Jordan through the National Expert Survey (NES).

The APS results show that about 27% of the respondents are involved in entrepreneurship activities, 16% are early-stage entrepreneurs, and 11% are involved in Established Businesses Ownership (EBO). They also point out the gender gap in entrepreneurship activities, with male involvement being higher than female involvement. The analysis shows that Jordanians in early middle working age (25 to 34 years) represent the highest group involved in Total early-stage Entrepreneurial Activity (TEA) while EBO involvement is almost uniformly distributed among the middle working age groups (25 to 54 years). Additionally, more than 30% of the respondents involved in TEA have at least post-secondary education.

The data shows that about one-third of the respondents agrees that it is easy to start a business in Jordan. On the other hand, about two-thirds of the respondents rarely pursues profitable opportunities when they find one with a fear of failure as a main reason for that. It appears that financial aspects represent the main motives for starting a business in Jordan. However, the respondents highlighted a positive perception of entrepreneurship as a viable and appealing option among the populace in Jordan, reflecting a culture that values innovation, ambition and self-reliance. Further, the data does not reveal any significant change in the low rate of business discontinuity in Jordan between 2019 and 2023. Apparently, the lack of profitability is the main reason for exiting a business.

According to the experts in the NES, the ease of getting financing for entrepreneurs is slightly insufficient. On the one hand, there is a general decline in financing opportunities connected to governmental, public, and lending funds. On the other hand, the experts indicate an increase in the private investment fund available for startups and new companies, which indicates a greater interest in entrepreneurial activities in Jordan.

The Government has started two initiatives targeting startup businesses: the “facilitating entrepreneurial and startup businesses” and the “preparation of a legislative framework for social entrepreneurial companies.” Both initiatives aim at amending laws and regulations for the purpose of overcoming obstacles and difficulties facing startup companies at all stages. The experts indicate an improvement in terms of entrepreneurship policies in Jordan, which they see as generally sufficient. However, taxes, governmental regulations and bureaucracy are still an issue.

It can be concluded from the experts’ responses that, even though the Government does not provide sufficient funds for entrepreneurs and startups, it continuously supports them through developing the legislative framework that governs their work, establishing incubators and accelerators and launching many relevant initiatives and programs in order to reduce the barriers facing entrepreneurs when starting their businesses.

Innovation is a very important aspect of competing in the international market. The vast majority of TEA respondents are active only on the local market while only 5% of them are considered intensive exporters. This can be contributed to the fact that most TEA and EBO activities in Jordan are concentrated within consumer-oriented services, and only about 1% are involved in the medium/high-technology sector.

In this regard, the NES shows consistent results. The scored points in terms of Research

and Development (R&D) Transfer are lower compared with the respective 2019 level. This signifies a widening gap between the outcome of academic research and development activities and the actual needs of the industry. Furthermore, the experts do not see sufficient support for engineers and scientists to have their ideas commercialised through new and growing firms. The decline of the Jordanian scored point in this indicator was one of the reasons for the decrease of Jordan's National Entrepreneurship Context Index (NECI) in 2023 by about 10% compared with its level in 2019 (the NECI for Jordan was 4.7 for the year 2023). Here, Jordan is ranked 20th among the 49 countries participating in the NES around the world.

As this is the first GEM national report for Jordan in the aftermath of the COVID-19 pandemic, the data provides an opportunity to measure the resilience of entrepreneurs and businesses during and after such a national/global crisis. The analysis indicates that the pandemic had a negative effect on both starting new businesses and existing business growth rates. However, more than a quarter of TEA and EBO respondents indicate that the pandemic provided new business opportunities. One positive impact of the pandemic is that it enhanced the use of technology associated with TEA and EBO activities.

In this year's GEM report, a new section in the APS was introduced to measure the awareness of United Nations' Sustainable Development Goals (UN's SDGs) among entrepreneurs and startups and to what extent they considered SDGs in their businesses. The results indicate low awareness of the SDGs among entrepreneurs in Jordan. Nevertheless, there are strong indications that most entrepreneurs in Jordan still consider the social and environmental implications of their business activities.

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Chapter 1: Introduction

1.1 Jordan Economy and Entrepreneurship

Entrepreneurship is creating and managing a new business or venture, avoiding any implications of its size. It can be defined in many ways. The topic of entrepreneurship plays a vital role in shaping the economy and wealth of a country. Starting new businesses will create new job opportunities for people, thus positively affecting the economy. Jordan's economy mainly relies on its natural and human capital resources, tourism and foreign aid. Although the Government was persistent in trying to improve the nation's economic growth, the political conditions in the surrounding countries during the past years have made it difficult. The trading routes have been affected; a huge number of refugees migrated to Jordan, which further increased the burden on its economy. These factors resulted in a slow economic growth, a higher unemployment rate and an increase in public debt. There were several programs made for the period of 2012-2022 to develop the economy. Some of these programs include the Executive Development Program (EDP) 2016–2018, the Jordan Economic Growth Plan (JEGP) 2018–2022, and Jordan 2025. Economic Modernisation Vision, which centres on the slogan of “A Better Future”, recognize entrepreneurship and innovation as key economic growth driver for Jordan to implement 2033 Vision's two strategic pillars: (i) accelerated growth through unleashing Jordan's full economic potential; (ii) improved quality of life for all citizens, while sustainability is a cornerstone of this future vision. Through Smart Jordan Driver (entrepreneurship and innovation), Economic Modernisation Vision affirm that is Jordan is positioned as a prominent regional hub for entrepreneurial activity and creative endeavours. This positioning is bolstered by the presence of a significant reservoir of untapped talent and skilled human capital. All these programs included policies and regulations to enhance the investment environment, entrepreneurship and trade. Jordan's economy has shifted from being efficiency-driven to innovation-driven. The economy in Jordan witnessed some changes in 2022, with existing structural problems aggravated by the aftermath of the COVID-19 pandemic and the refugees' crisis. According to the World Bank data, Jordan experienced an increase in its Gross Domestic Product (GDP) from 46.3 billion dollars in 2021 to 48.65 billion dollars in 2022. In addition to that, inflation reached 4.2% (2022) while the unemployment rate was estimated at 19.1% (2023), and the population increased to about 11.3 million with an annual growth rate of about 1.2% (2022).¹

1 World Bank Website: <https://data.worldbank.org/country/JO>

1.2 Global Entrepreneurship Monitor Report

The Global Entrepreneurship Monitor (GEM) is an international research organisation that consistently and methodically measures entrepreneurship. In other words, it is a survey-based research program that aims to annually measure and analyse entrepreneurial activities on a national scale and is carried out all over the world. It was established in 1999 as a joint initiative between Babson College in the USA and London Business School in the UK, creating a set of indices to quantify entrepreneurial competitiveness. The first annual report only included 10 countries; however, over the years, it has expanded to include numerous countries all over the world, leading to this year's GEM report 2023/2024, where 49 economies participated. One of its perks is that it's the only entrepreneurial research where the data is collected directly from individual entrepreneurs. In addition to that, it is one of the largest and most detailed studies of entrepreneurial activity.

The GEM report is an annual evaluation that provides a comprehensive overview of the entrepreneurship activity level in a country, which helps in understanding its entrepreneurial competitiveness. Thus, the entrepreneurship level among different countries and how it evolves within the same country can be analysed. Moreover, the report is a collaborative effort that involves researchers, academics and policymakers. It studies different indicators such as the rate at which new businesses are established, the attitudes and aspirations of entrepreneurs, the accessibility of resources, the availability of support programs for entrepreneurs, and the impact of entrepreneurship on economic growth and job generation.

The objectives of GEM framework include discovering the factors that affect (whether they hinder or contribute to) the national entrepreneurial activity, assessing the differences in entrepreneurship activities amongst countries and recommending measures, such as new policies and strategies, to enhance entrepreneurship, promote economic growth and provide a favourable environment for entrepreneurs. It also aims to demolish the stereotypical image people have of entrepreneurs, showing that anyone can pursue an entrepreneurial career path.

The GEM framework collects the data through two surveys: the Adult Population Survey (APS) and the National Expert Survey (NES). To explain briefly, the APS focuses on small-scale entrepreneurs and is taken on a national level, where at least 2000 adults are interviewed. On the other hand, the NES focuses on at least 36 national experts that

lead high-growth ventures or involved in supporting entrepreneurs. The outcome of the surveys is used to develop a National Entrepreneurship Context Index (NECI), which ranks the economies based on a set of framework conditions.

In Jordan, both surveys were held by the Center for Strategic Studies (CSS) in collaboration with the German Jordanian University (GJU) and the Ministry of Digital Economy and Entrepreneurship (MoDEE). In this study, 2400 adults have participated in the APS while 40 experts have participated in the NES.

Firstly, regarding the entrepreneurs' demographics, it focuses on two aspects: the Total early-stage Entrepreneurial Activity (TEA) rate and gender. The TEA is the number of working-age adults that are actively engaged in starting or running a new business. It is also the sum of people who have started a new business but have not yet paid any salaries or any other type of payment during the first 3 months or more (aka the Nascent Entrepreneurs (NE)); plus, those with a running new business that have paid salaries or any other type of payment during the first 3 months or more but less than 42 months (aka Baby Business (BB) owners); minus those who fall into both categories.

Secondly, as for the entrepreneurship impact aspect, the GEM report looks at: drive and motivation, growth expectations, innovation and internationalisation. The GEM report measures the drive and motivation of entrepreneurs to initiate a new business through two stages. The first is TEA while the second is the Entrepreneurial Employee Activity (EEA). The APS will evaluate the motivation by focusing on four key reasons: 1) making a positive impact in the world, 2) building substantial wealth or achieving a high income, 3) carrying on a family tradition, and 4) pursuing entrepreneurship as a means of livelihood since jobs are scarce. Moreover, the growth expectations evaluate how many employees are expected to be employed in the next five years. Innovation assesses various aspects concerned with implementing new ideas, methods, products or services. Lastly, internationalisation evaluates the level of international entrepreneurship by measuring the percentage of sales achieved by startups (SU) where they sell their product or service to foreign markets.

Thirdly, the type of entrepreneurship looks at aspects like EEA, solo entrepreneurship, and family entrepreneurship. The EEA conveys the presence of entrepreneurship among employees of Established Businesses (EB). Solo entrepreneurs are those who work solely alone, without having any employees or co-founders, and are not expecting to hire anyone in the next five years. Finally, family entrepreneurship is establishing a new business with

the owners and managers being family members. Entrepreneurship sustainability focuses on Established Business Ownership (EBO) and business discontinuance. The EBO is defined as the people who run a business with 42 months or more of paid wages. Business discontinuance is when an entrepreneur sells out his/her business, starts another one or shuts it down. Entrepreneurship potential looks at the ease of starting a new business (laws, policies and regulations), media attention, opportunity and capability perception, fear of failure, affiliation with entrepreneurship and entrepreneurship intentions.

1.3 GEM Conceptual Framework

The aim of GEM framework is to assess the entrepreneurial activity level in a certain country. The result of this assessment is used by policymakers to study the impact of policies and initiatives. The APS and NES are used to identify factors affecting entrepreneurial activity. The GEM framework works within a social, cultural, political and economic context where it quantitatively measures these factors and their influence on entrepreneurship activity and success. As seen in Figure 1, entrepreneurship activity in each country is determined by societal values and individual attributes. These, along with national and Entrepreneurial Framework Conditions (EFCs), shape entrepreneurial activities, which are split by phase, impact and type. The outcome of the GEM framework is socio-economic development. This aspect is improved as individuals and people become more able to seize job/business opportunities.

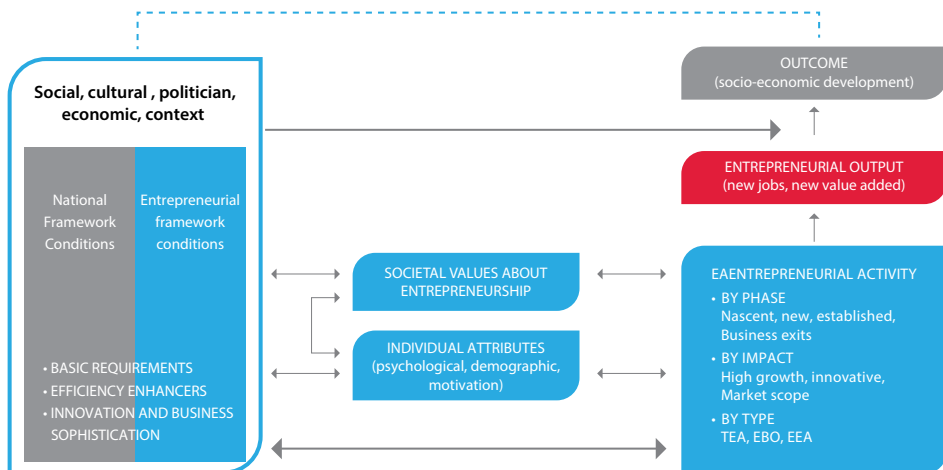


Figure 1: GEM Conceptual Framework²

2 GEM 2023 Global Report: <https://www.gemconsortium.org/reports/latest-global-report>

Figure 2 shows the stages of becoming an entrepreneur and the phases/indicators that occur. It starts off with being a potential entrepreneur with ideas, opportunities, skills and knowledge. However, that is not enough to start an entrepreneurship career. Conception is needed to form the TEA phase; within this phase, it begins with being a nascent entrepreneur, where the person is involved in setting up a business. After the birth of the firm, comes the phase of being an owner-manager of a new business (up to 3.5 years), and some may decide to exit the business during this phase. In the TEA phase, the main GEM entrepreneurship indicators were individual attributes (age, gender and motivation), impact (business growth, market space and innovation) and industry. After persistence in the business, the Established Business Ownership (EBO) phase (more than 3.5 years old) signifies the final entrepreneurial phase.

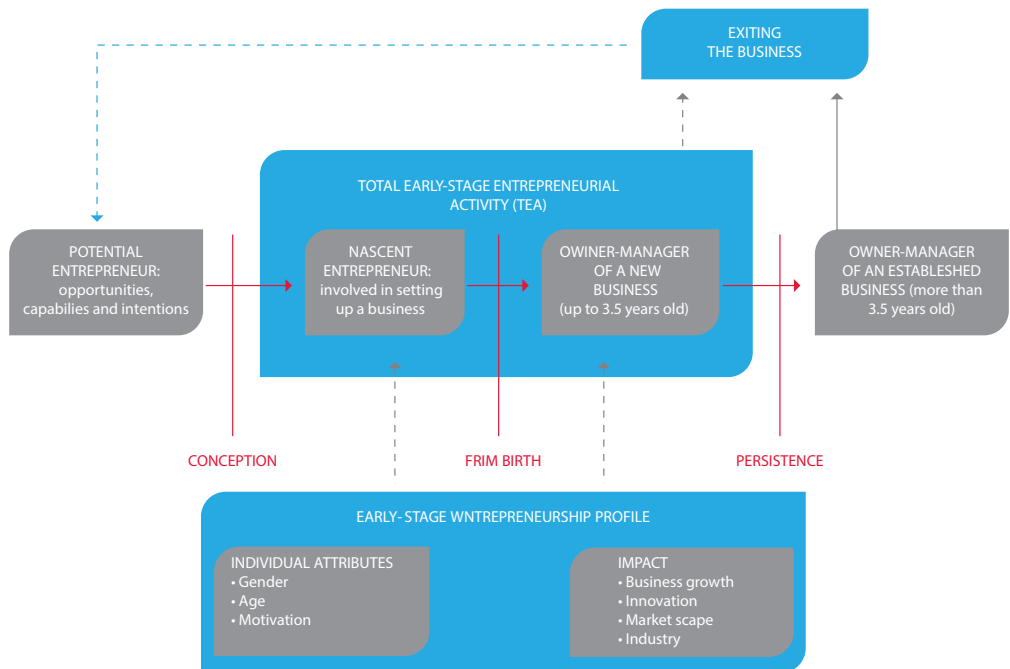


Figure 2: Entrepreneurial phases and GEM entrepreneurship indicators³

3 GEM 2023 Global Report: <https://www.gemconsortium.org/reports/latest-global-report>

1.4 The Entrepreneurial Framework Conditions & the National Entrepreneurial Context Index

The evaluation of Jordan's economy regarding entrepreneurship requires an analysis of the economy with respect to two aspects: 1) examining entrepreneurial activity rates at different stages, which is covered in the APS 2) assessing the entrepreneurship environment, which includes opportunities entrepreneurs can exploit and challenges they must overcome to start a new business, which is covered in the NES.

The National Expert Survey focuses on high-growth entrepreneurs, where at least 36 national experts are interviewed. They are asked about their insight on the entrepreneurship environment with regards to 13 GEM Entrepreneurial Framework Conditions (EFC) summarised as follows:

- A1. Entrepreneurial Finance: there are sufficient funds for new startups.
- A2. Ease of Access to Entrepreneurial Finance: and those funds are easy to access.
- B1. Government Policy - Support and Relevance: policies promote and support startups.
- B2. Government Policy - Taxes and Bureaucracy: new businesses are not over-burdened.
- C. Government Entrepreneurial Programs: quality support programs are widely available.
- D1. Entrepreneurial Education at School: schools introduce entrepreneurial ideas.
- D2. Entrepreneurial Education Post-School: colleges offer courses in how to start a business.
- E. Research and Development Transfers: research is easily transferred into new businesses.
- F. Commercial and Professional infrastructure: quality services are available and affordable.
- G1. Ease of Entry - Market Dynamics: markets are free, open and growing.
- G2. Ease of Entry - Burdens and Regulations: regulations encourage not restrict entry.
- H. Physical Infrastructure: good-quality, available and affordable.
- I. Social and Cultural Norms: encourage and celebrate entrepreneurship.

The GEM aims to create an index that could be used to assess economies based on their respective entrepreneurship environments. Therefore, GEM introduces the National Entrepreneurship Context Index (NECI). The NECI is a comprehensive composite index that evaluates the entrepreneurial environment within an economy. It is derived from the EFC mentioned previously. The results of the NECI provide valuable insights for policymakers, practitioners and stakeholders, enabling them to stay informed about the overall strength of the entrepreneurship environment.

The national experts are asked to evaluate the entrepreneurship environment in Jordan by assessing specific national conditions which cover the 13 areas mentioned previously. They rate each question on a scale of 0 to 10, where 0 represents extremely bad condition(s) and 10 represents extremely good condition(s). Each of the EFC is measured as an average of the results obtained from the national experts' assessments.

1.5 SDGs & Women's Entrepreneurship

In addition to the EFC mentioned above, this year's GEM report introduced additional sections in the NES that were not present in the Jordanian 2019/2020 GEM report. These sections tackle two main points: Sustainable Development Goals (SDGs) and women's entrepreneurship. With the climate change challenges facing our environment and our interactions with it, many people are trying to live and work in a sustainable manner. The SDGs are gradually being infused into business environments and the consciousness of entrepreneurs, customers and employees. With the SDGs included in the study, GEM is trying to measure the link between entrepreneurial activity and these important goals. Regarding women's entrepreneurship, GEM measures the adequacy of social support that is available to women to start a business and the level of accessibility to support resources compared to male entrepreneurs.

Chapter 2: Effect of the COVID-19 Pandemic

The COVID-19 pandemic was challenging for the Government as well as Jordanian individuals. In recent years, many studies have been conducted to analyse the impact of the pandemic on economic and social aspects. Entrepreneurship is one of the aspects that have been affected in both positive and negative directions. On the one hand, the pandemic stopped many individual entrepreneurial projects and slowed down the establishment of new startups. On the other hand, it created new opportunities, especially related to online marketing. The APS results indicate that 67% of TEA find it more difficult to start a new business because of the pandemic. The percentage increased to 80% among the EBO. On the other hand, only 29% of TEA and 26% of the EBO were positive about the pandemic providing new opportunities for the businesses (see Figures 3 and 4).



Figure 3: Difficulty in starting a business for TEA and EBO because of COVID-19 Pandemic



Figure 4: The perception of the respondents regarding opportunities created by COVID-19 pandemic

In terms of economic growth, the pandemic was economically challenging for both entrepreneurial businesses and established firms. The APS results show that 57% of TEA and 70% of the EBO expect a lower business growth rate. This would be even more repellent when starting up new businesses. This goes in line with the results of NES, where the experts' opinion regarding national culture's encouragement of entrepreneurial risk-taking dropped by 21% in 2023. What can worsen the situation is that the majority of entrepreneurs and established businesses do not believe that the Government's response to the economic consequences of the pandemic is sufficient. Only 32% of TEA and 25% of the EBO consider the Government to have responded effectively to the economic consequences (see Figures 5 and 6).



Figure 5: Expectation for lower business growth (%) due to COVID-19 pandemic



Figure 6: TEA and EBO opinion regarding the Government response to the COVID-19 economic consequences (%)

As shown in Figure 7, the APS results show that more than 40% of the nascent, early-stage entrepreneurs and EBO believe that there is no need to use digital technologies for selling their products. On the other hand, more than 30% of the same group indicate that the pandemic either resulted in the adoption of new technologies or enhanced the use of existing technologies for selling their products. Furthermore, 46% of TEA and 36% of the EBO expect their businesses will use more digital technologies to sell their products or services in the next six months (see Figure 8).

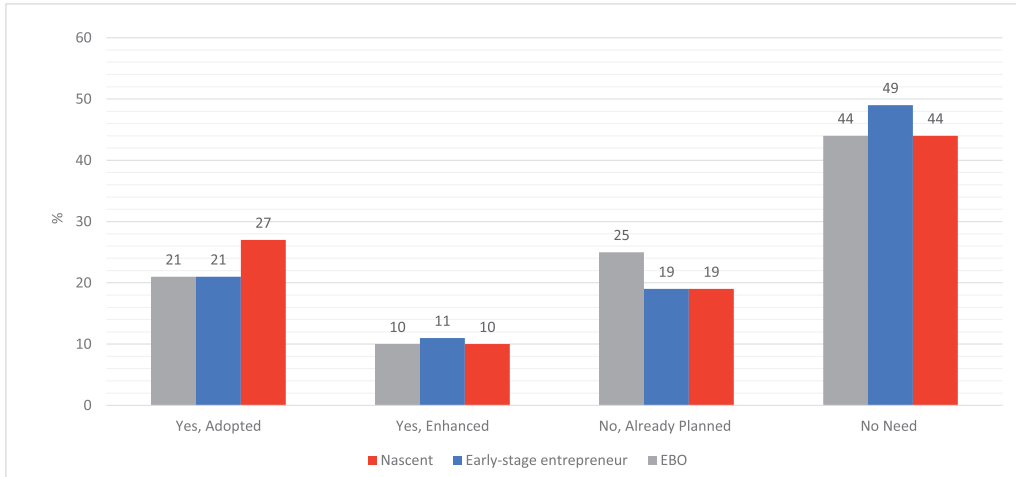


Figure 7: Level of using digital technologies for selling product or service as a response to COVID-19 pandemic (%)

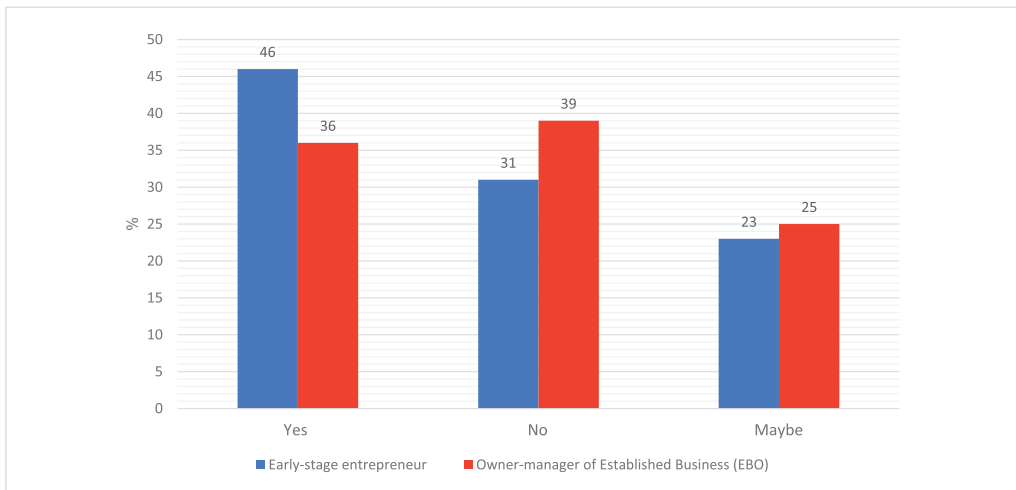


Figure 8: Businesses' expectation of using more digital technologies to sell products or services in the next six months (%)

Chapter 3: Societal Attitudes and Perceptions

3.1 Societal Attitude Affiliations and Self-perceptions

APS investigates entrepreneurship potential through several questions. One of these questions reflects how easy it is to start a business in the country. Table 1 summarises these results for Jordan. It appears that 36.5% of respondents agree that it is easy to start a business in Jordan. Among the 46 countries included in APS in the GEM global report, Jordan is ranked in the 35th position in relation to the easiness of starting a business. Furthermore, 78.6% of the respondents rarely see business opportunities, which is considered a very high percentage compared with other included countries (4/32) and the second highest in the Middle East (after Saudi Arabia). However, 47.7% of the Jordanian respondents expect good opportunities to start a business in the area where they live. Additionally, 56.7% of the respondents personally know someone who started a business in the last two years.

APS results indicate that more than 73% of respondents believe that they have the knowledge, skills and experience required to start a new business. About 82% of respondents indicate that every decision they take is part of their long-term career. However, 65.5% of respondents rarely act on a profitable opportunity when they figure one out. Fear of failure can be considered a main reason for that, as indicated by 54.3% of the respondents. Moreover, a significant 52.1% of those seeing opportunities express a fear of failure that would deter them, marking a high percentage compared to other countries (Rank:11/46).

Table 1: Summary of Different Indicators that Summarise the Entrepreneurship Potential in Jordan

	(%)	Rank ¹
It is easy to start a business.	36.5	35/46
Rarely see business opportunities, even if you are very knowledgeable in the area.	78.6	4/32
In the next six months, there will be good opportunities for starting a business in the area where you live.	47.7	33/45
Often see stories in the public media and/or internet about successful new businesses.	81.1	8/41

1 The number of countries varies for each indicator based on the data available in the GEM global report, as not all countries have provided data for every indicator.

Know personally who have started a business or become self-employed in the past 2 years.	56.7	19/45
Personally have the knowledge, skills and experience required to start a new business.	73.2	10/45
Every decision is part of your long-term career plan.	82.0	10/32
When spot a profitable opportunity, rarely act on it.	65.5	17/32
Would not start a business for fear it might fail.	54.3	10/45
Would not start a business for fear it might fail (% of those agreeing there are good opportunities locally)	52.1	11/46

In terms of entrepreneurship potential by gender, the female respondents are more optimistic in their expectations for opportunities to start businesses with 55% compared with only 41% of the male respondents. In contradiction, only 49% of the female respondents personally know someone who started a business in the last two years, compared with 63% of the male respondents. About 78% of the male respondents believe that they have the knowledge, skills and experience required to start a new business while only 67% of the female respondents gave the same response. Fear of failure as an obstacle to entrepreneurship is a common aspect in both male and female respondents, with a percentage of 52% and 57% respectively (see Figure 9).

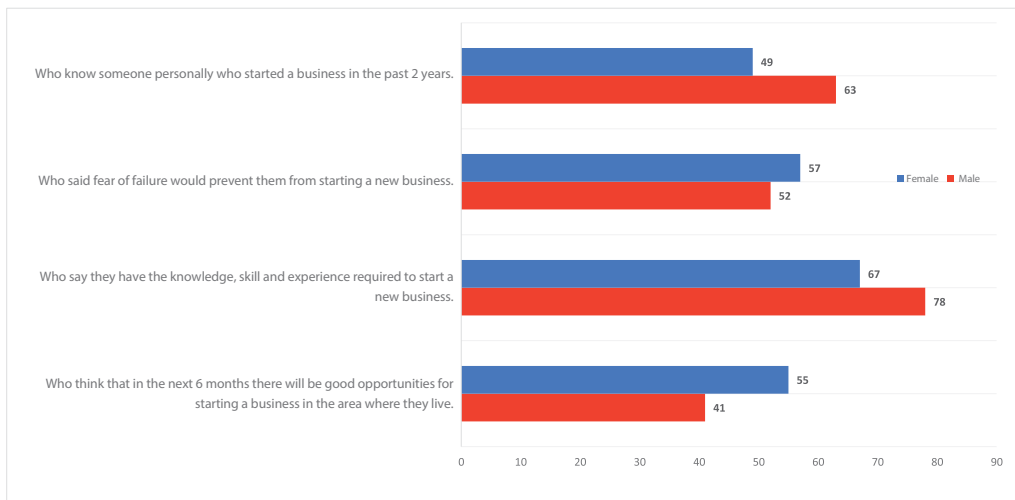


Figure 9: The percentage of respondents (male and female) who agree/disagree with statements related to their entrepreneurship potential

3.2 Perception of Societal Values Related to Entrepreneurship

Successful entrepreneurial stories find their way to the media in Jordan, according to 81% of the respondents. The APS revealed that 86% of respondents believe that individuals who are successful at starting a new business in Jordan are held in high esteem and have a high level of respect. Furthermore, a substantial 78% of respondents agreed with the statement, indicating that the majority of people view starting a new business as an attractive and desirable career path in Jordan (see Figure 10). This indicates a positive perception of entrepreneurship as a viable and appealing option among the general public, reflecting a culture that values innovation, ambition, and self-reliance.

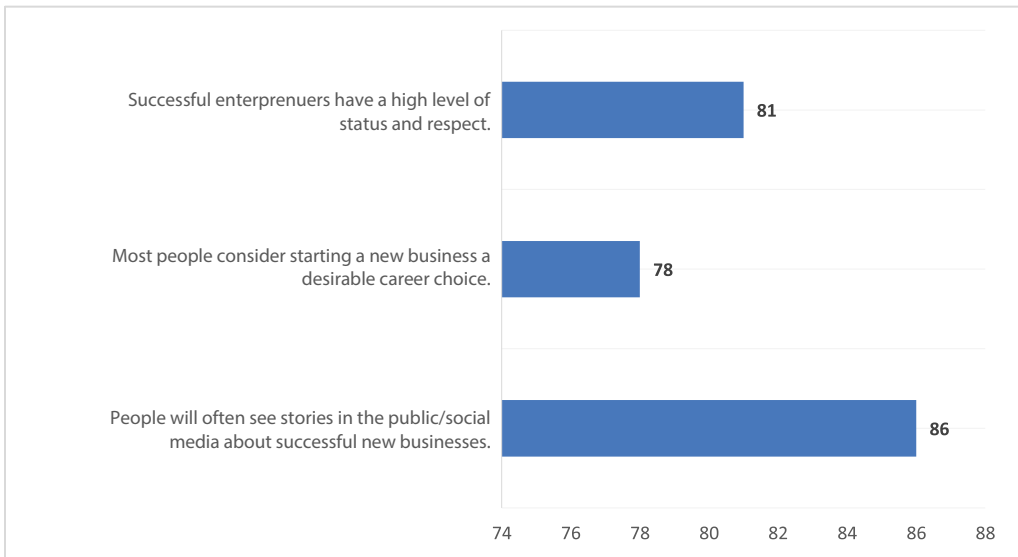


Figure 10: The percentage showing the perception towards status of successful entrepreneurs

“Through strategic partnerships and collaborative efforts, Jordan aims to establish itself as a top destination for individuals and organisations looking to harness the vast potential of the rapidly growing gaming market in the MENA region. By nurturing a solid ecosystem of talent and innovation, Jordan not only shapes its future but also sets the stage for a thriving gaming industry that transcends geographical boundaries.”



Nour Khrais

Founder and CEO of Maysalward
Managing Partner of Jordan Gaming Lab

Chapter 4: Phases of Entrepreneurship

4.1 Stages of Entrepreneurship

The primary entrepreneurship metric extensively evaluated by the GEM studies is TEA. This metric focuses on the period just before and immediately following the establishment of a new business. According to the APS, 15.7% of the surveyed individuals in the 18-64 age group fell within the category of the TEA. About 9.6% of them were identified as TEA with independent businesses and the other 6.1% fell into the category of TEA with sponsored businesses where they hold partial ownership with their employers. Furthermore, 2.43% were classified as NE with a sponsored business, 5.85% were nascent entrepreneurs with an independent business, 4.03% were categorised as Baby Business (BB) owners with a sponsored business, and 4.16% were BB owners with an independent business. In terms of an EBO, 3.28% were identified as EBO with a sponsored business, while 3.92% fell under the category of EBO with an independent business.

4.2. Family-Based Entrepreneurship

It is normal to find that numerous businesses are operated and owned by families. The surveyed data shows that nearly half of the entrepreneurs, totalling 49%, involve a close family member in their business ventures. Additionally, more than 15% of entrepreneurs engaged some other relative in their business activities and 30% opted to involve a friend or neighbour. On the other hand, only a small percentage of 4% collaborates with a work colleague, and hardly above 1% relies on a stranger (see Figure 11).

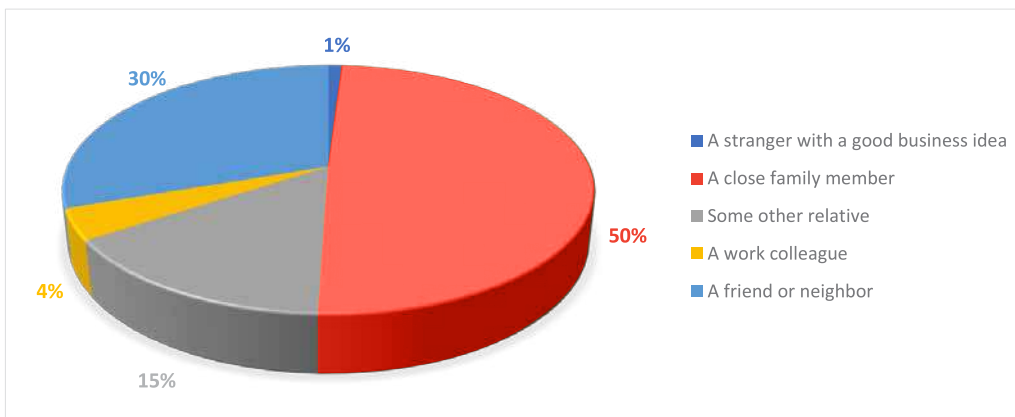


Figure 11: Relationship with the person that received the most recent personal investment from the respondent

Comparing these results with the ones obtained in 2019, Jordanians displayed a notable inclination towards investing in close family members or some other relative startups (SU), with a percentage of 57.14%. This trend saw a significant boost in 2023, with a remarkable increase to 64.20%. This indicates a growing trust and preference among Jordanians to invest in family and relatives-based startup companies. Similarly, investments in friends or neighbours also experienced a notable rise from 22.59% in 2019 to 30.45% in 2023. This suggests a strengthening of community bonds and a willingness to support local networks through financial endeavours.

Interestingly, despite the overall investment upward trend in family and community-based startups (this category includes friends, neighbours, work colleagues, and other relatives), the proportion of investments in strangers with promising business ideas witnessed a slight decline from 2.46% in 2019 to 1.23% in 2023. This shift may reflect a preference for trusted networks over ventures with unknown individuals, possibly due to concerns about risk or reliability. Investments in work colleagues remained relatively stable, with a marginal increase from 1.07% in 2019 to 4.12% in 2023. This slight increase could indicate a growing confidence in workplace relationships as potential investment opportunities, driven by increased collaboration or shared business interests within professional networks.

Overall, the comparison between 2019 and 2023 reveals a strengthening reliance on family and community-based startups for investment decisions in Jordan, emphasizing the significance of interpersonal relationships and trust in startups investments.

4.3 Drive and Motivation

The GEM's APS analyses four motives that possibly influence the decision to start a new business. Whether the respondents agree or disagree with each one, those motives can indicate what drives entrepreneurship in a selected country. The four motives are: to earn a living because jobs are scarce, to continue a family tradition, to build great wealth or a very high income and/or to make a difference in the world. As indicated in Figure 12, the financial aspect is dominant. The vast majority of the entrepreneurs, regardless of their entrepreneurial stage, agreed that earning a living and building wealth motivated them to start their businesses. Only about 20% of the early-stage and nascent entrepreneurs are motivated by the will to continue a family legacy. This percentage is almost doubled in the case of EBO. This may indicate that a considerable portion of the surveyed EBO

sample is involved in managing or owning a family business. The motive to make a good impact on the world was not popular among the entrepreneurs. Nevertheless, 20–27% of entrepreneurs are motivated to make a positive impact on the world through their businesses. Figure 13 shows a comparison with some regional countries (Qatar, Saudi Arabia and Oman) when it comes to the motive for establishing a business among TEA. In Jordan, it appears that the percentage of entrepreneurs who have indicated that their intention to change the world is the main motivation behind starting their business is the lowest among these countries. However, the percentage of Jordanian entrepreneurs who have indicated that the need to earn a living is the reason behind opening a business is the highest among the other countries.

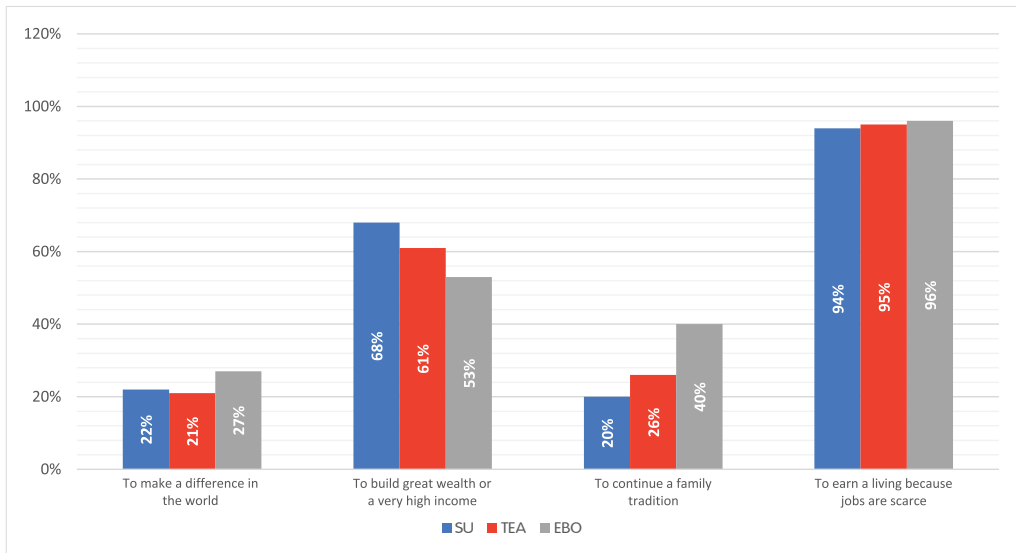


Figure 12: Motive to start a business (%) for different entrepreneurship types (SU, TEA, EBO)

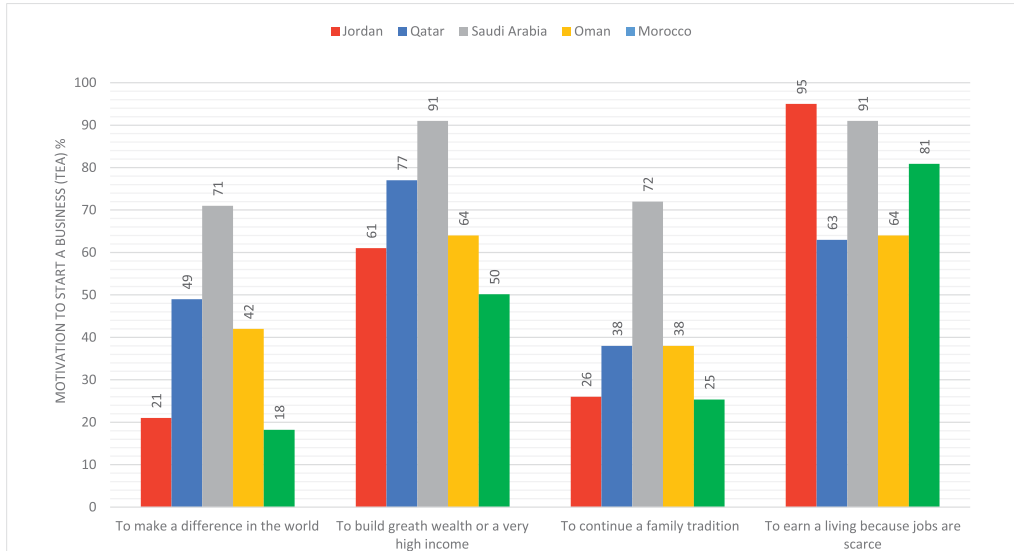


Figure 13: A regional comparison explaining the motive to start a business among TEA

4.4 Entrepreneurship Sustainability

The sustainability of entrepreneurship is another important aspect that needs to be considered as it provides stability in employment, consistency in provided services and an indication of a supportive ecosystem. On the other hand, identifying high rates of business discontinuation can be attributed either to entrepreneurial factors such as lack of skills, overconfidence or confusion or to environmental factors like an unsupportive ecosystem.

4.4.1 Established Business Ownership (EBO) Rate

Established Business Owners are defined as those managing businesses that have been in existence for 42 months or more. At this stage, the TEA converted into a mature business. Increasing the EBO rate is a good indication of sustainability and therefore a supportive ecosystem. The EBO rate in Jordan in 2023 was 7.2%, increasing from 6.55% in 2019. This indicates an enhancement in entrepreneurship sustainability. Compared with other countries, the Jordanian EBO rate is relatively good. The rates were 4.4% and 3.2% for Qatar and Oman respectively. However, Saudi Arabia reported an EBO rate of 13.59%.

4.4.2 Businesses Discontinuance Rate

Business discontinuation is the case when the entrepreneur decides to exit due to many reasons, including but not limited to a lack of profitability or enough financing to continue. A good feasibility and market study, good skills and experience, a supportive ecosystem and many other reasons may cause a declination in the business discontinuity rate and an inclination in business sustainability. Jordan witnessed a significant drop in the business discontinuity rate, from 21.2% in 2017 to 10.45% in 2019. Between 2019 and 2023, there is no significant change in the business discontinuity rate (11% in 2023). This low percentage reflects the resilience and determination of the entrepreneurial community to the encountered obstacles.

In the APS, various reasons for quitting a business were identified. The survey participants were asked about the most important reasons for exiting a business. The results showed that 2.71% cited the opportunity to sell the business while the majority, 64.37%, mentioned a lack of profitability as the main reason for quitting. Other factors included problems getting finance (8.28%), transitioning to another job (2.05%), family or personal reasons (12.68%), concerns related to government/tax policy/bureaucracy (0.86%) and the impact of the COVID-19 pandemic (14.12%), as shown in Figure 14.

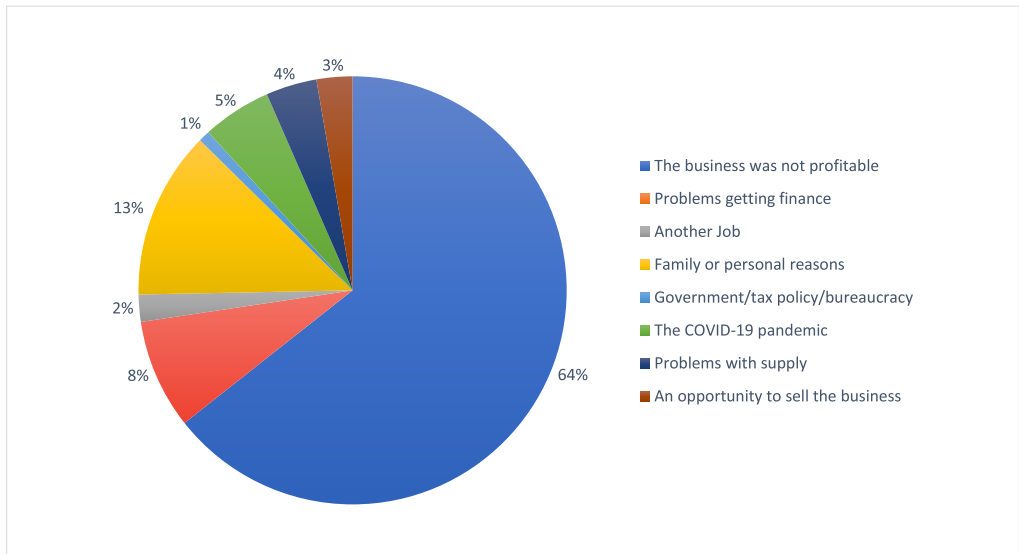


Figure 14: The percentage showing the most important reasons for quitting the business

4.5 Educational Level

Figures 15 and 16 present the involvement percentage in the TEA and EBO at each education level in Jordan compared with other countries. The results show that 14% of the respondents with a secondary degree or less are involved in the TEA, compared with 18% of the respondents with a post-secondary degree. An interesting finding is that one-third of the respondents with a graduate education are involved in TEA. It seems that this category has the required knowledge, skills and finance to start a business. However, in terms of EBO, there are no significant differences in the possibility of being involved in EBO within different educational levels. This tendency is not shared with the other countries, as shown in Figure 16.

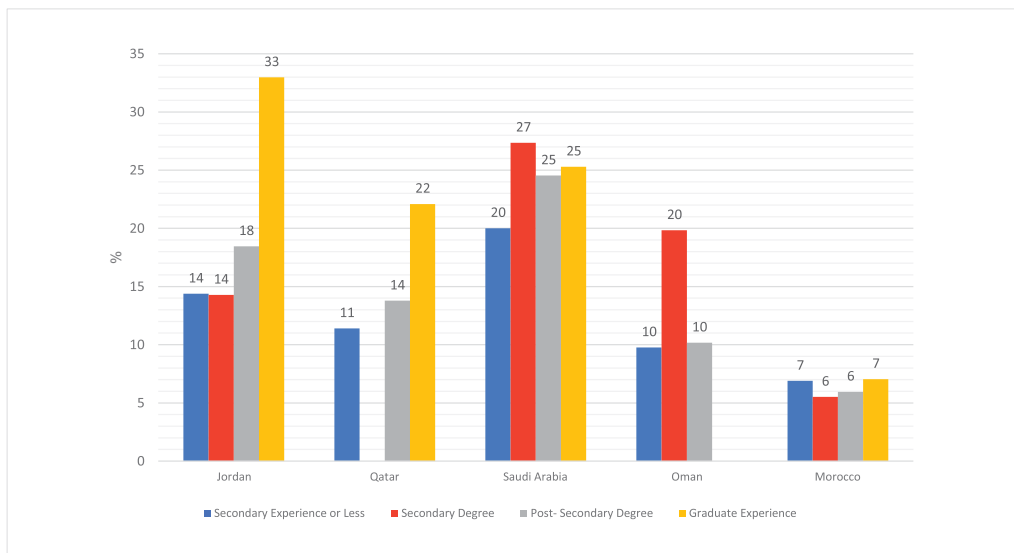


Figure 15: The percentage of respondents with certain educational qualifications involved in TEA

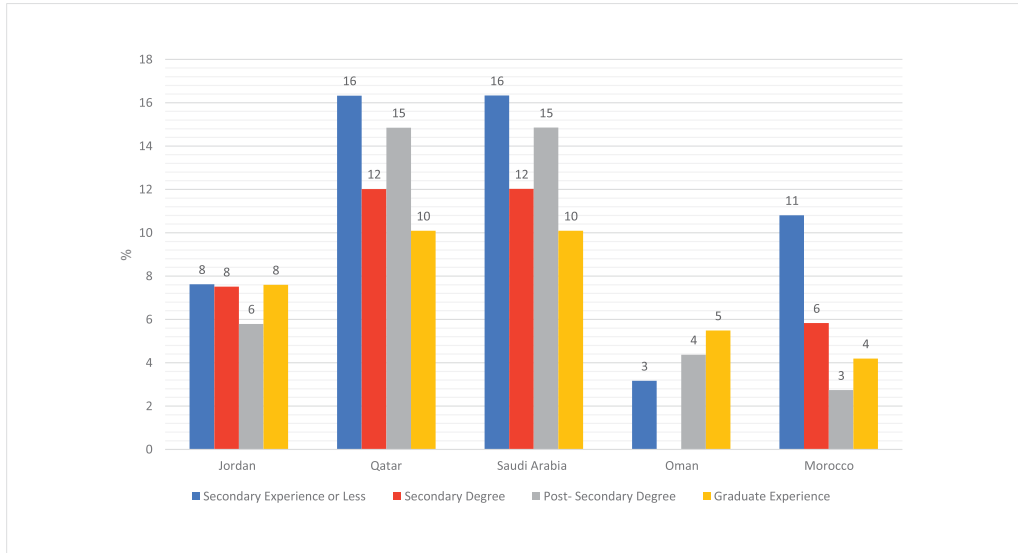


Figure 16: The percentage of respondents with certain educational qualifications involved in the EBO

Figure 17 indicates that less than one-third of respondents involved in the TEA in Jordan have at least a post-secondary education. It seems that those without a post-secondary education are pursuing entrepreneurship as a potential way to secure income. This trend is similar to the case of Oman and Morocco; however, the situation is different for Qatar and Saudi Arabia (most of the people who are involved in the TEA have at least a post-secondary education).

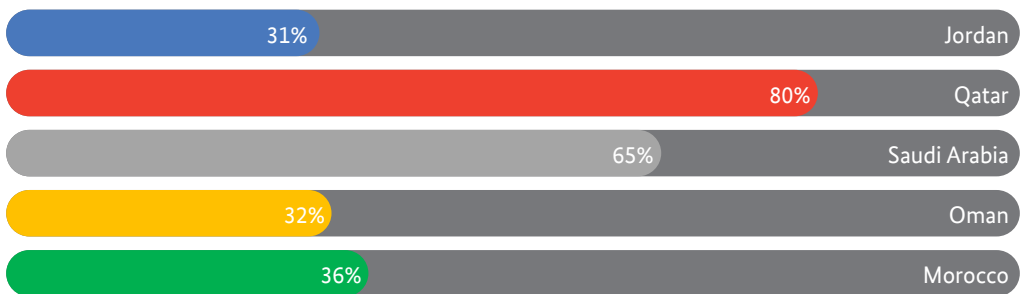


Figure 17: % of respondents within the TEA with at least a post-secondary education

4.6 Income

Figure 18 shows the percentage of respondents involved in the TEA and EBO for each household income group in Jordan. One can see that the TEA is less attractive for the respondents in the middle household-income group, with only 11% of them involved in the TEA. The figure also shows that the more income the respondents have, the more possibility he/she is involved in the EBO. The higher household income group is the one with the highest possibility of being involved in either the TEA or EBO. This can be referred to as their financial ability. Furthermore, 14% of the participants in the low household income group are involved in the TEA, which may indicate that they are looking for a way to enhance their total household income.

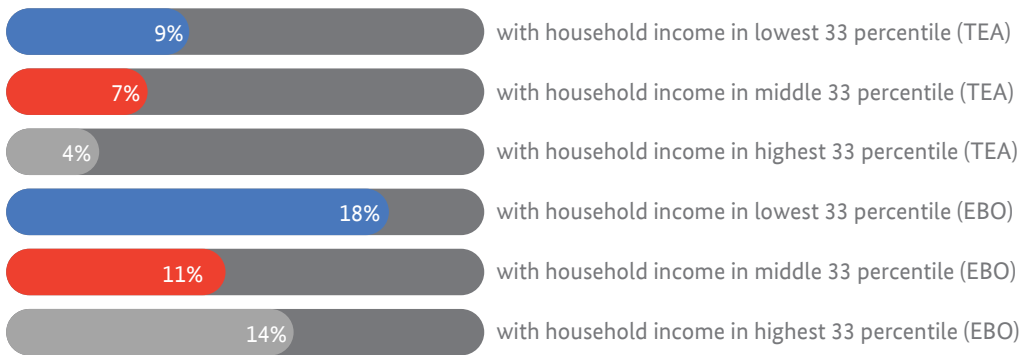


Figure 18: The percentage of respondents involved in the TEA/EBO according to their household income



Chapter 5: Impact Characteristics

5.1 Growth Expectations

Entrepreneurial and startup businesses contribute to the national economy in different ways. Decreasing the rate of unemployment is one of the most important aspects related to entrepreneurship. The GEM methodology tracks the growth projections of new businesses by self-estimating the number of jobs anticipated to be generated within the next five years. As depicted in Figure 19, about 9% of respondents within the TEA expressed high job expectations, anticipating the creation of 10 or more jobs within five years of starting or continuing their businesses, with a prerequisite of at least 50% job growth. In contrast, less than 2% of the EBO respondents displayed high job expectations, reflecting their anticipation of generating 10 or more jobs over the same five-year period with the same growth criteria. This may be explained by the optimistic view of early-stage entrepreneurs regarding the expansion of their businesses. For both the TEA and EBO, the self-estimated expectation for a high number of job creations in Jordan is lower than that in other regional countries like Saudi Arabia, Oman, and Qatar.

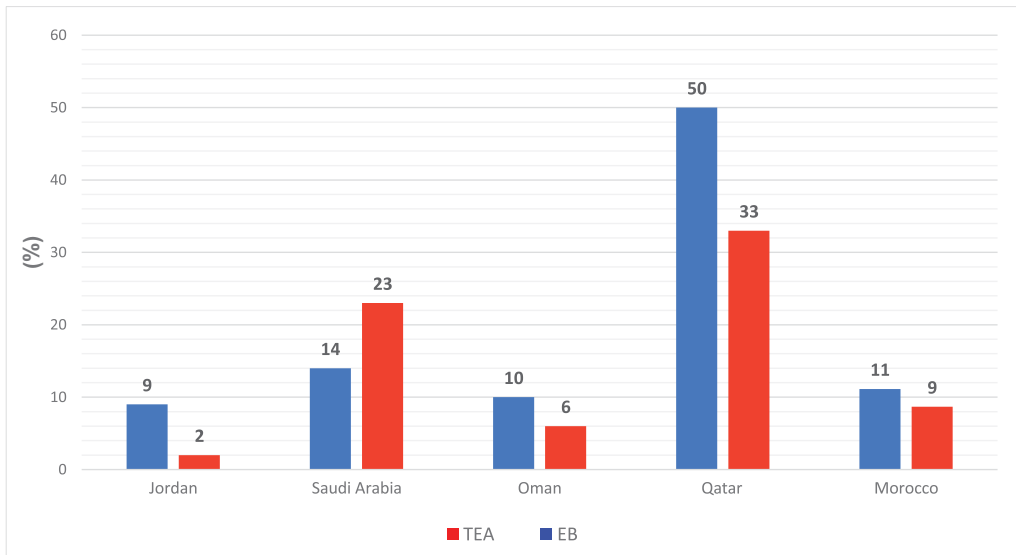


Figure 19: Percentage of respondents within the TEA/EBO expecting 10 or more Jobs 5 years after the business has started or 5 Years from now if the business is already operational (representing high jobs expectations)

5.2 Market Scope

Determining the market scope is an important strategic aspect for any entrepreneurial business. Targeting an international market can be challenging in terms of securing the required financial, technological, and human resources. The term internationalisation refers to targeting the international market. It has many strategic benefits for entrepreneurs as it provides access to new markets, diversifies revenue streams, gains competitive advantages and fosters business growth on a global scale. This approach enables entrepreneurial businesses to achieve long-term success and sustainability.

Jordan holds significant promise as a hub for fostering international startups, due to its growing pool of tech talent and supportive government initiatives. Harnessing its robust culture of innovation, Jordanian startups stand poised to exert a global influence across diverse sectors, reinforcing the nation's vision as a main contributor to the global startup landscape. Subsequently, several Jordanian startup ventures that have achieved national and international expansion are highlighted.

“WebTeb” is an innovative online platform, accessible via mobile and web interfaces, dedicated to providing comprehensive health-related information in Arabic. Alongside its physician directory targeting Arabic-speaking markets, WebTeb's pioneering products have garnered widespread international acclaim and adoption.

“MadfoatCom” stands as a prominent Jordanian startup specializing in real-time payment processing solutions. With a clear vision to revolutionise the digital payments landscape and contribute to economic growth, “MadfoatCom” has expanded its operations regionally, offering accessible financial solutions that cross borders and time zones. “Decapolis” is at the forefront of food supply chain quality assurance and safety certification, leveraging blockchain technology. Originating locally, “Decapolis” has achieved local and regional recognition, thus making it one of the fastest-growing startup companies in Jordan.

The APS investigates customer distribution within various stages of entrepreneurship (Figure 20). In TEA, about 88% of respondents reported having customers in the area where they live. Similarly, more than 86% of BB, reported that they have local customers. Notably, EBO demonstrated an even stronger local presence, with 92% of respondents having customers in their residential area. These findings demonstrate the importance of the local market for both the TEA and EBO in Jordan. Regarding access to the national

market, 69% of TEA reported having customers elsewhere in the country while the percentage is 71% for BB. The EBO has the lowest percentage of 58% with customers nationally. The figure for Nascent Businesses (NB), which refers to people who are involved in new firm startup); expect to be a full or part owner, and have no salaries or wages paid for over 3 months, 65% indicates their intention to acquire customers nationally. These figures show that there is a high desire among early-stage entrepreneurs to expand their businesses beyond their local market.

Regarding access to the international market, about 15% of the surveyed early-stage entrepreneurs reported having customers outside Jordan. BB and EBO displayed lower yet close proportions at 13% and 12%, respectively, with global customers. In line with these results, Figure 21 illustrates that 0.57% of the total respondents are the TEA, who have more than 50% of their revenue from outside Jordan. On the other hand, only 0.17% of the respondents are the EBO who have more than 50% of their revenue from outside Jordan. Figure 22 presents some statistics about the nature of revenue at different stages of entrepreneurship. The vast majority of the respondents engaged in entrepreneurial activities have no revenues from outside Jordan. For about 7% of them, they have identified that 1-25% of their revenues come from international customers. Only 5% of the respondents who are involved in any business are considered intensive exporters (more than 25% of their revenue is generated from outside Jordan).

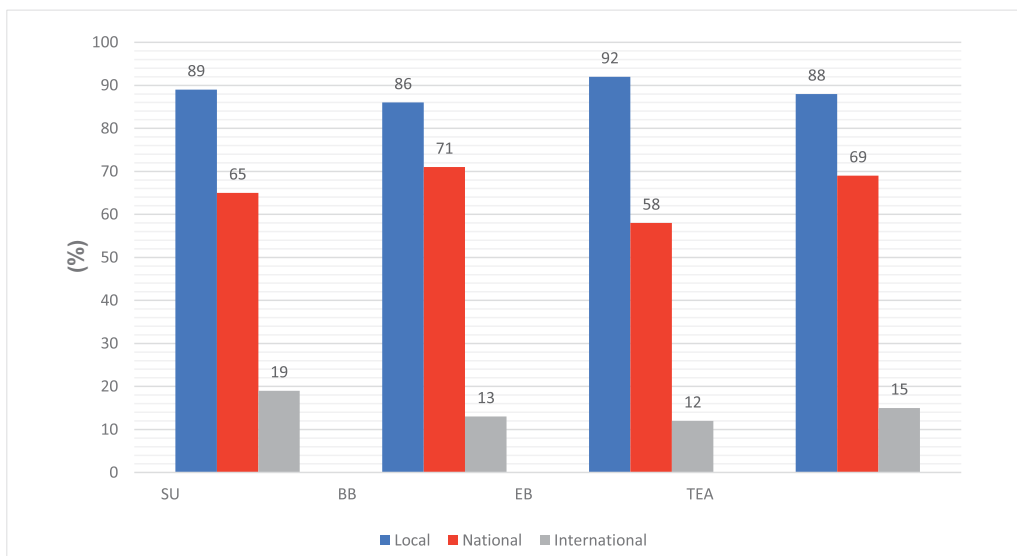


Figure 20: Entrepreneurs with local/national/international customers (%)

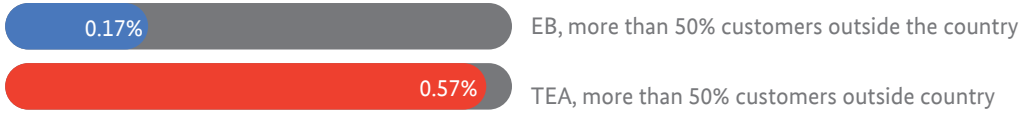


Figure 21: The percentage of the EBO and TEA (from the total respondents) with more than 50% of their revenue comes from outside Jordan

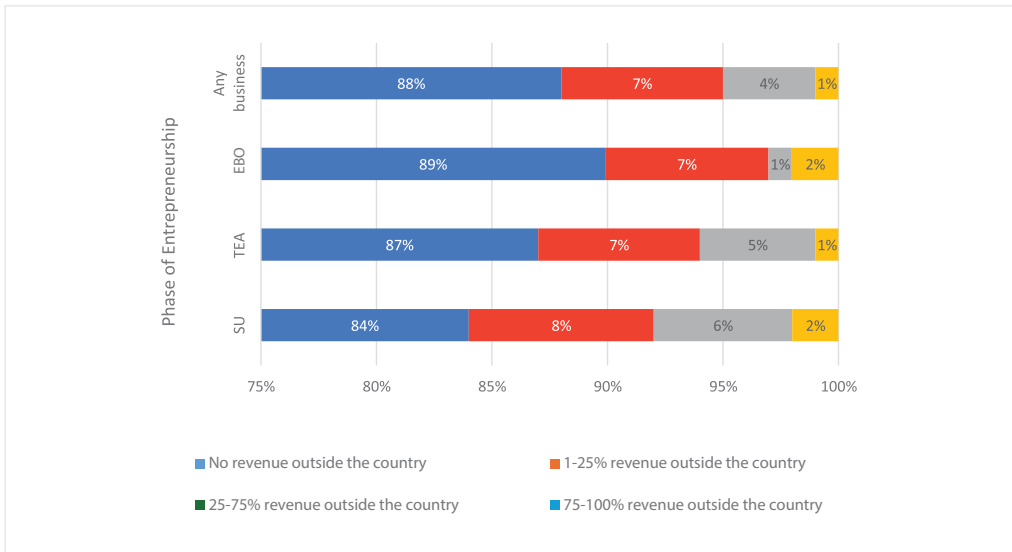


Figure 22: The percentage of entrepreneurs according to their export revenue



5.3 Innovation

Innovation is a main aspect of the knowledge-based economy. It increases the competence of entrepreneurial product/service on national and international levels. The APS investigates the innovation level of entrepreneurship to determine if either the products and services or the used technologies or procedures are new to people. The scale of innovation could be locally, nationally, or internationally. As can be seen in Figures 23 and 24, the level of innovation in early-stage businesses is low in Jordan. More than 80% of TEA indicate that their products or services are not new to people and 73% indicate that the technologies they use are not cutting-edge either. Those two percentages were 73% and 75% respectively in the 2019 GEM Jordan national report, which indicates no real improvement in this regard in the last 4 years. At the national level, early-stage entrepreneurs who think that either their products, services or the used technology are new to people dropped from about 8% in 2019 to about 4% in 2023.

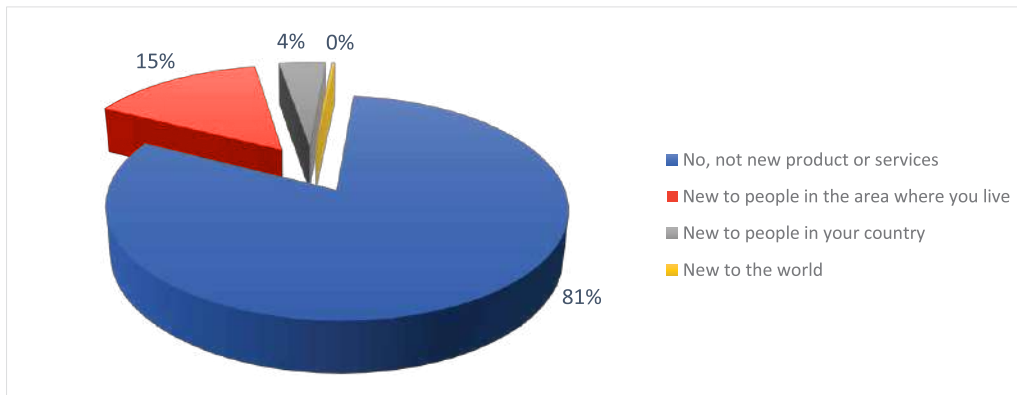


Figure 23: TEA degree of newness of products and services

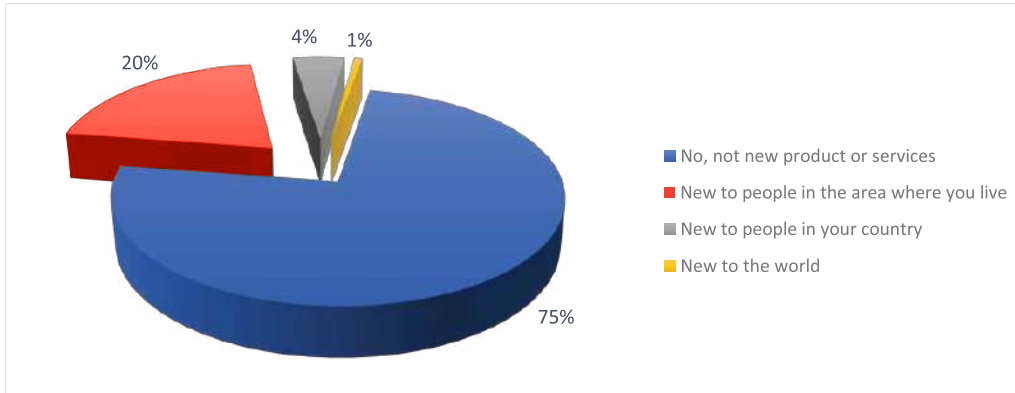


Figure 24: TEA degree of newness of technologies or procedures used in the products or services

Figure 25 shows that most of the EBO and TEA activities are concentrated within consumer-oriented services in Jordan. The second sector that appears to have EBO and TEA activities in Jordan is the transformative sector. It appears that the extractive sector in Jordan is not very popular among EBO and TEA entrepreneurs, with only 3% of TEA and EBO involvement. In general, it appears that there is no certain sector in which the EBO or TEA are dominant.

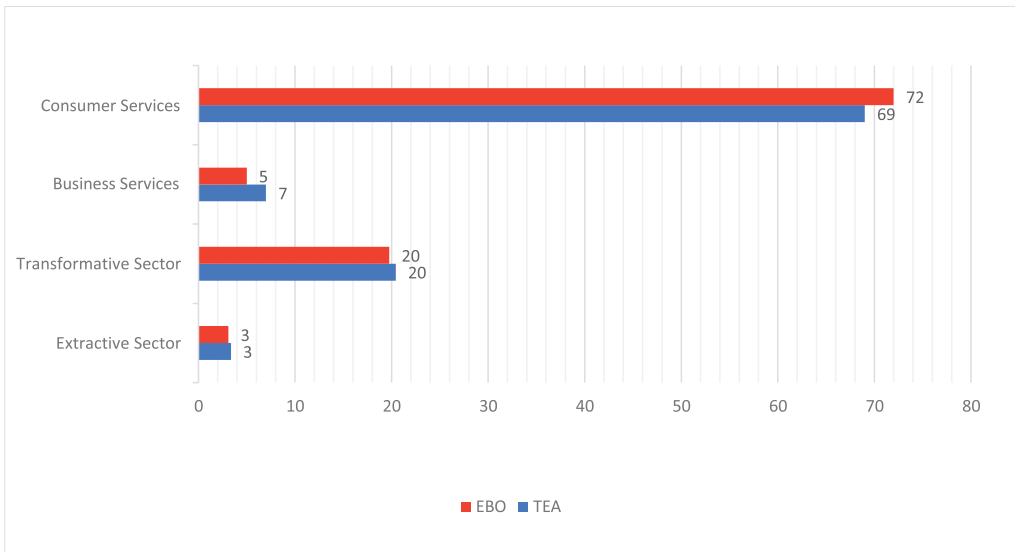


Figure 25: The percentage of respondents within the TEA/EBO who are working in a certain sector

Figure 26 depicts a comparison of the different sector distributions of new entrepreneurial activity (% of TEA) with some regional countries (Oman, Qatar, Saudi Arabia, and Jordan).

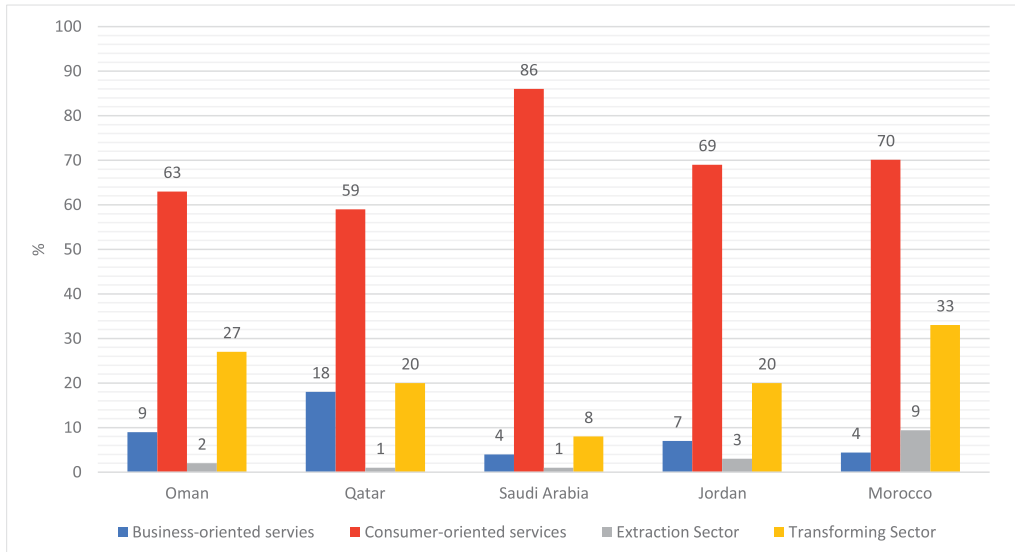


Figure 26: A comparison of the different sector distribution of new entrepreneurial activity (% of TEA)

In what follows, a comparison between Oman, Qatar, Saudi Arabia, and Jordan across various sectors is presented for the four different services (business, consumer-oriented, extractive and transforming). Regarding the business-oriented services, Qatar leads significantly with a score of 19%, followed by Oman (7.7%), Jordan (7.2%), and Saudi Arabia (4.4%). For the consumer-oriented services, Saudi Arabia takes the lead with an impressive score of 86%, followed by Jordan (69%), Oman (62.3%), and Qatar (59.4%). Pertaining the extractive sector, Jordan leads in this sector with a score of 3.4%, followed by Oman (1.4%), Qatar (0.9%), and Saudi Arabia (0.5%). Finally, regarding the transforming sector, Oman leads with a score of 28.6%, followed by Jordan (20.4%), Qatar (20.6%), and Saudi Arabia (9.1%). Overall, Qatar shows strong performance in business-oriented and transforming sectors while Saudi Arabia excels in consumer-oriented services. Oman demonstrates balance across sectors, with notable strengths in consumer-oriented and transforming sectors. Jordan shows potential for growth, particularly in the extractive sector, and maintains competitive scores across other sectors.

Figure 27 illustrates the percentage of entrepreneurs in the TEA and EBO who are working in high and medium-technology sectors. It appears that the new businesses are more technology-related than EBO in both Jordan and Qatar. At the same time, Jordan's TEA and EBO activities in high/medium-technology sectors are stronger compared to Saudi Arabia.

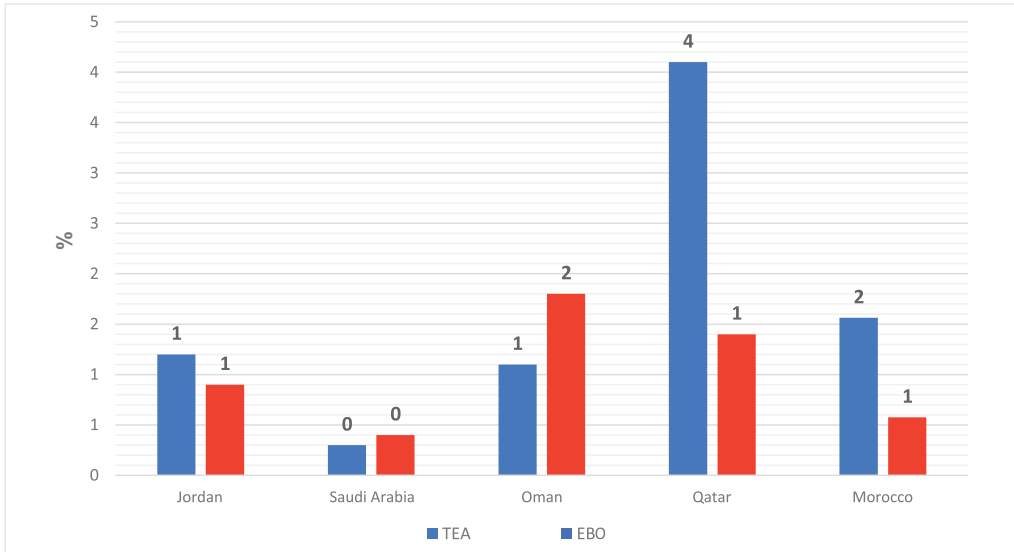


Figure 27: The percentage within the TEA/EBO who are active in technology sectors (high or medium)



Chapter 6: Sustainable Development Goals (SDGs)

6.1 Awareness of SDGs

The APS also allows to measure quantitatively the awareness of UN SDGs among entrepreneurs and startup businesses and to what extent they considered SDGs in their businesses. The APS results show extremely low awareness of the SDGs among entrepreneurs in Jordan. The percentage of entrepreneurs that are aware of the SDGs is less than 6% for both TEA and EBO (see Figure 28). Jordan has programs in place to boost awareness of the SDGs by introducing them in the educational curricula; however, it seems that the results of these awareness campaigns need more time to be visible. When looking at Qatar, which is another Middle Eastern country, the level of awareness regarding the SDGs is higher than that in Jordan but still very low. It seems that the low SDGs awareness is a regional issue in MENA region that needs to be addressed.

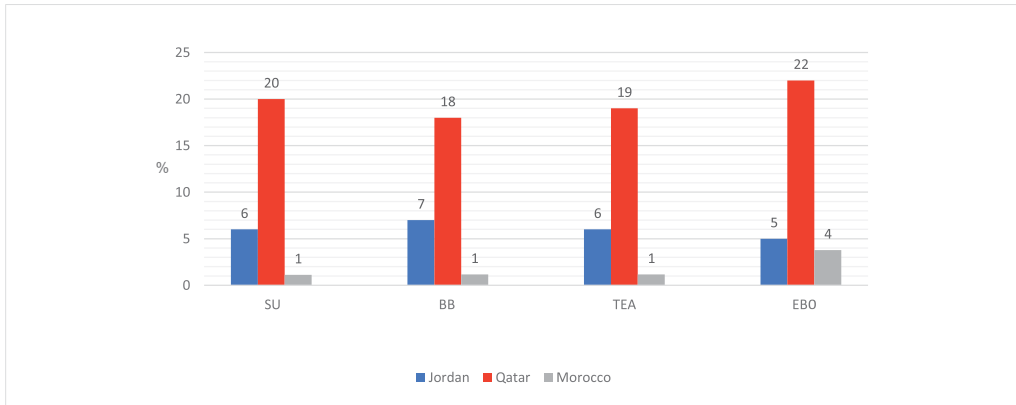


Figure 28: Level of awareness for SDGs among different entrepreneurship types (%)

6.2 Awareness of Social and Environmental Implications

The APS shows that entrepreneurs in Jordan still consider the social and environmental implications when making decisions regarding the future of their businesses. As shown in Figure 29, TEA are more concerned about the social implications when making decisions about their business (level of 80%) compared with EBO (level of 74%). Further, the consideration level for the social implications among Jordanian entrepreneurs is comparable with that of other MENA region countries. The APS results indicate that Jordanian entrepreneurs show higher consideration for environmental and social implications when making decisions related to the future of their businesses compared

with countries like Oman. However, these levels are lower than those concerning Saudi Arabia (see Figure 30).

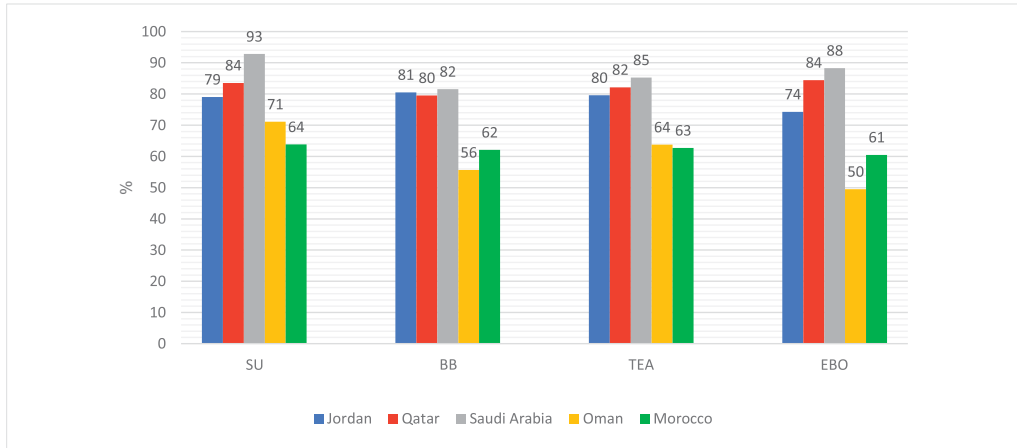


Figure 29: Level of consideration to social implications regarding the future of the business (%)

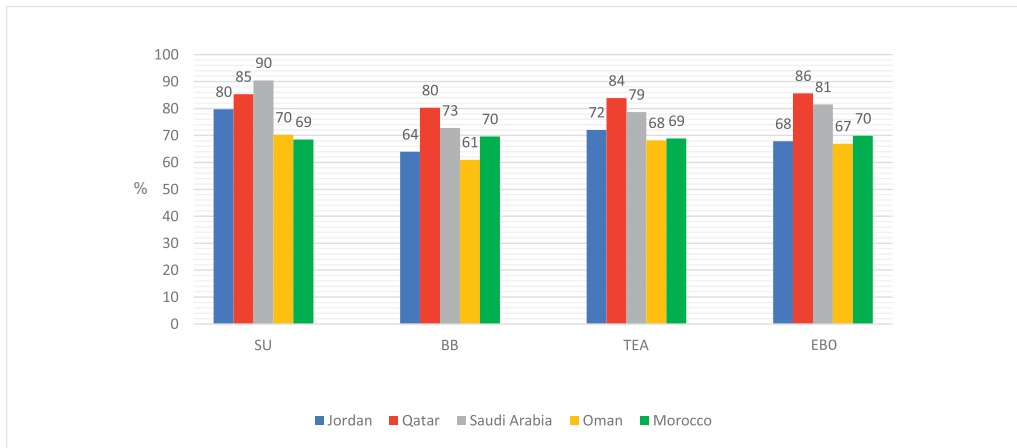


Figure 30: Level of consideration to environmental implications regarding the future of the business (%)

The APS results also indicate that the EBO in Jordan are more serious about taking steps to minimise the environmental impacts or maximise the social impacts. In particular, 49% and 50% of the EBO have taken steps to minimise the environmental impacts or maximise the social impacts, respectively, compared with 43% and 37%, respectively, for the TEA (Figure 31).

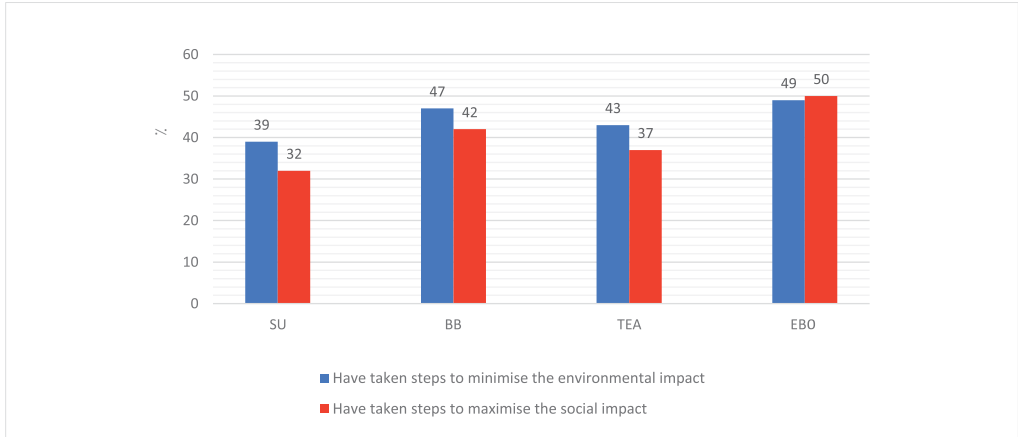


Figure 31: Percentage of entrepreneurs who have taken steps to minimise the environmental and social impacts

Finally, about 67% of the entrepreneurs in Jordan indicate that they prioritise the social and/or environmental impact of the business above profitability or growth. This percentage can be considered intermediate compared with other MENA region countries, where the percentage can be as high as 95% for NB in Saudi Arabia and as low as 43% for EBO in Oman; see Figure 32. In conclusion, the APS results indicate that even though Jordanian entrepreneurs lack awareness in terms of the SDGs, they still show high consideration for social and environmental impacts.

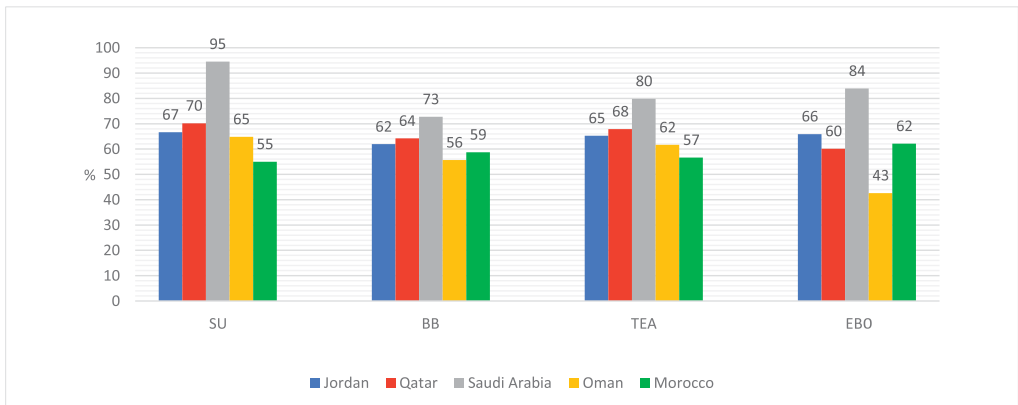


Figure 32: Percentage of entrepreneurs who prioritise the social and/or environmental impact over profitability or growth.

**Chapter 7: Quality
of Entrepreneurial
Ecosystem in Jordan:
National Expert Survey**

7.1 Entrepreneurial Finance

Entrepreneurial finance was split into two areas for this year: financing and ease of getting financing. For financing, this tackles the different entities from which new and growing firms can receive funding. It measures the score of receiving proper funding from these entities (governmental, banking, family, etc.).

For this EFC and by comparing the results in three years (2017, 2019 and 2023), as depicted in Figure 33, there is not an obvious trend; some of the topics tackled faced an increase in score, and some faced a decrease. However, it can be noticed that the experts see, on the one hand, a general decline in the financing opportunities related to governmental, public and lending fund. This can be referred to the consequences of the COVID-19 pandemic that decreased the governmental spending and increased the interest rate. On the other hand, the experts pointed to an increase in the private investment fund available for startups and new companies, which indicates a greater interest in entrepreneurship in Jordan. The results can be summarised by the following points:

- The availability of equity funding for new and growing firms demonstrated a decline in value compared to the results from 2019. In 2023, it scored 4.48, whereas in 2019, it had a higher score of 5.19 (a decline of about 14%). The availability of equity funding, according to the experts, is about the same as it was in 2017.
- The debt funding available for new and growing firms experienced the most significant decrease. In 2023, it scored 3.48, a notable decline from its 2019 score of 5.72 (a decline of about 39%). The figure also indicates that the availability of debt funding is even lower than its 2017 level.
- The Government subsidies available for new and growing firms showed only a slight decrease in points, where it went from 4.61 to 4.54. Despite the impact of the pandemic on the available resources, this decrease in subsidies is not very significant compared to the 2019 level (1.3% change).
- On the other hand, the Jordanian experts proved that there is an increase in informal investor funding (e.g., family and friends). While this indicator scored 4.72 in 2019, it scored 4.90 in 2023 (an increase of about 4%).
- According to the opinion of the Jordanian experts, venture capital funding for new and growing firms also showed an increase, where it went from 5.25 in 2019 to 5.45 in

2023 (an increase of about 4%). It's the only aspect that showed a trend of continuous increase from 2017 to 2023 and had the largest points in this EFC. Several venture capitals are established in Jordan (e.g., Beyond Capital and VentureX).

- Professional business angel funding for new and growing firms scored 4.59 points in 2023. According to the experts, angel funding is still insufficient, considering that a level of 5 is considered sufficient.
- The Initial Public Offering (IPO) funding for new and growing firms showed a large decrease in scoring points where it went from 3.83 in 2019 to 2.62 in 2023 (a decline of about 32%).
- Micro funding for new and growing firms showed even a further decrease in points where it scored 3.74 points in 2023 while it scored 5.08 points in 2019 (a decline of about 26%). This may be attributed to the impact of the COVID-19 pandemic and the increase in the interest rate recently. This makes it difficult to borrow micro funds to establish businesses.

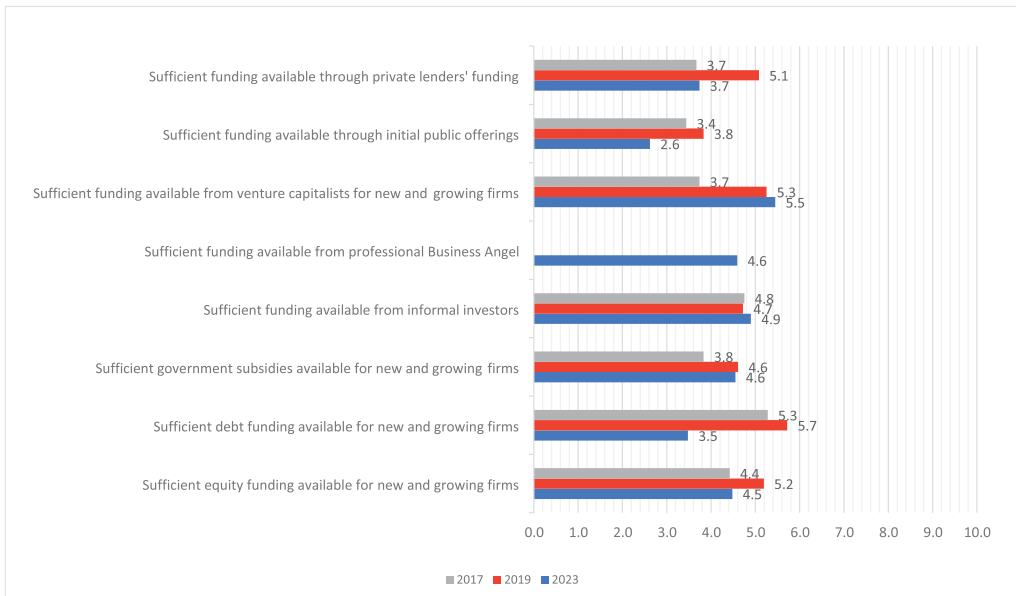


Figure 33: NES Results for the Financing Area under Entrepreneurial Finance



Eng. Rabie Jammalieh
Orange

“In light of the growing Jordanian ecosystem, it's remarkable to witness the significant advancements, particularly in human resources, with a notable focus on AI-related opportunities. Individuals in Jordan have consistently demonstrated their capabilities, not just locally but also within the broader regional context, showcasing the nation's potential as a hub for innovation and entrepreneurship in AI and other emerging technologies...”

There was a new part under entrepreneurial finance introduced for this year's GEM report, which is the ease of getting financing. Since it wasn't present previously, there's no data for 2017 and 2019. It concentrates on how easy it is for entrepreneurs to have access to funds/ capital (results are summarised in Figure 34). Regarding the easiness of getting debt funding from banks and similar entities, it received the lowest score, reaching 3.18 points. It appears that the procedure for getting this loan is complicated, with a high rejection rate. On the other hand, the ease of attracting investors /funds to make a new business grow once the startup phase has been completed received the highest score, reaching 4.85 points. This result is expected as it becomes easier to attract investors once the business is ready to grow, which again confirms the market orientation toward a greater interest in entrepreneurship in Jordan. However, this indicator is still under 5 (insufficient). On the other hand, the Jordanian experts' assessments for the easiness of hiring financing support services at a reasonable cost were 4.38 while their assessments for the ability of the nascent entrepreneurs to get enough seed capital to cover the startup early-stage expenses of a new business were a bit higher. It can be noticed that debt funding had the lowest score in this area, which shows room for development in this dimension.

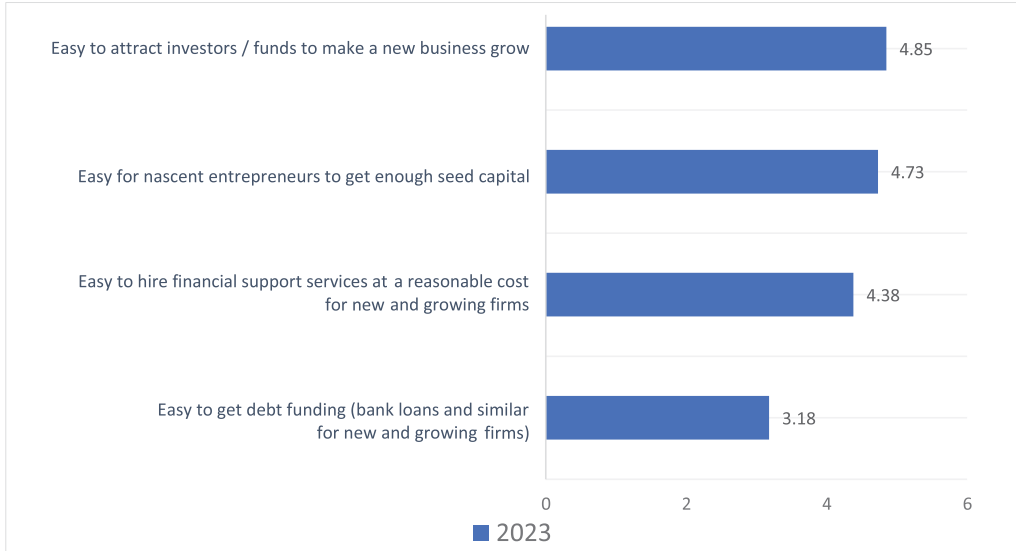


Figure 34: NES results describing the ease of getting financing as part of experts' assessment of the entrepreneurial finance in Jordan



7.2 Government Policy

This section places a great emphasis on how governmental policies impact new and growing businesses, encompassing areas like taxes, regulations, administrative tasks and similar factors. These policies have the potential to either foster/encourage entrepreneurship or present significant barriers in its path. For the Government policy EFC, it can be noticed that it showed better results than the entrepreneurial financing EFC. This can be attributed to the adoption of several policies, including “the General Entrepreneurship Policy (2021-2025)” and “the National Digital Transformation Strategy (2021-2025),” among others. From Figure 35, it appears that the Government policies that consistently favour new and growing firms demonstrated an increase in the points scored. In 2023, they scored 4.03 points, showing improvement compared to the score of 4 points they received in 2019. It can also be noticed that it showed a continuous increase in points scored from 2017 to 2023.

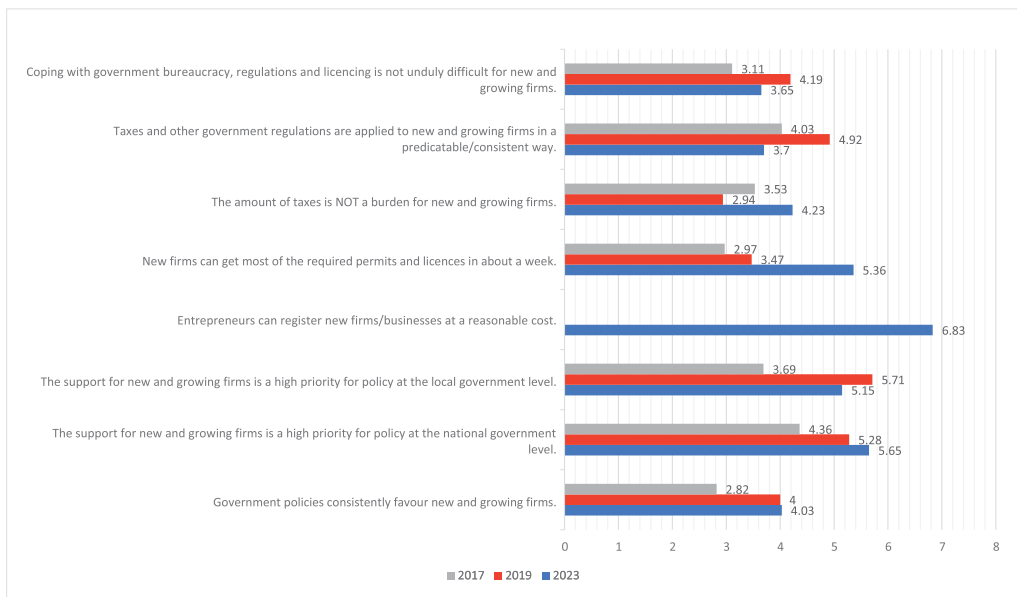


Figure 35: NES results for the Government Policies EFC

Support for new and growing firms is considered a high priority for policy at the national government level also showed an increase in the points scored, where it went from 5.28 points in 2019 to 5.65 points in 2023. From the experts' assessment, it appears that the prioritisation level is sufficient. It can also be noticed that this support showed a continuous increase in points scored from 2017 to 2023. Conversely, support for new and growing firms is considered a high priority for policy at the local government level and experienced the most significant decrease in points scored. It dropped from 5.71 points in 2019 to 5.15 points in 2023 (a decline of about 10%). This decrease may be explained by the fact that most of the support for new and growing firms is centred in the capital, Amman, where municipalities and governates outside the capital are not providing support to new and growing firms, probably to focus more on EBO. A new indicator was added for this EFC, which is how much entrepreneurs can register new firms/businesses at a reasonable cost, which received 6.83 points. According to the experts' opinion, it seems it is affordable to do so in Jordan as the score of 6.83 is considered sufficient.

New firms can get most of the required permits and licences in about a week showed a continuous increase from 2017 to 2023, where it scored 2.97 in 2017, 3.47 in 2019 and 5.36 in 2023. It also showed the highest increase in scored points (an increase of about 54% when taking the 2019 score as a reference). This means that governmental procedures are becoming more effective (which could be related to the adoption of digital and e-government services). The amount of tax is not a burden for new and growing firms demonstrated an increase in points scored where it went from 2.94 in 2019 to 4.23 in 2023 (an increase of about 44%). On the other hand, experts expressed that taxes and other governmental regulations are becoming less predictable and consistent (the related score declined by about 25%). Coping with Government bureaucracy, regulations and licencing requirements is not unduly difficult for new and growing firms also exhibited a decrease in points scored, dropping from 4.19 in 2019 to 3.65 in 2023 (approximately 13% drop). The tax predictability issue may be attributed to the fluctuation in government-taxed gas prices and the changes in the income tax law. It looks like the experts are asking for fewer bureaucratic procedures when it comes to the licencing of new businesses and firms.

7.3 Government Entrepreneurship Programs

The primary emphasis of this section lies in exploring and measuring how the Government promotes and supports entrepreneurship by creating accessible and available programs for new and growing businesses. The results of this EFC are shown in Figure 36 and can be summarised as follows:

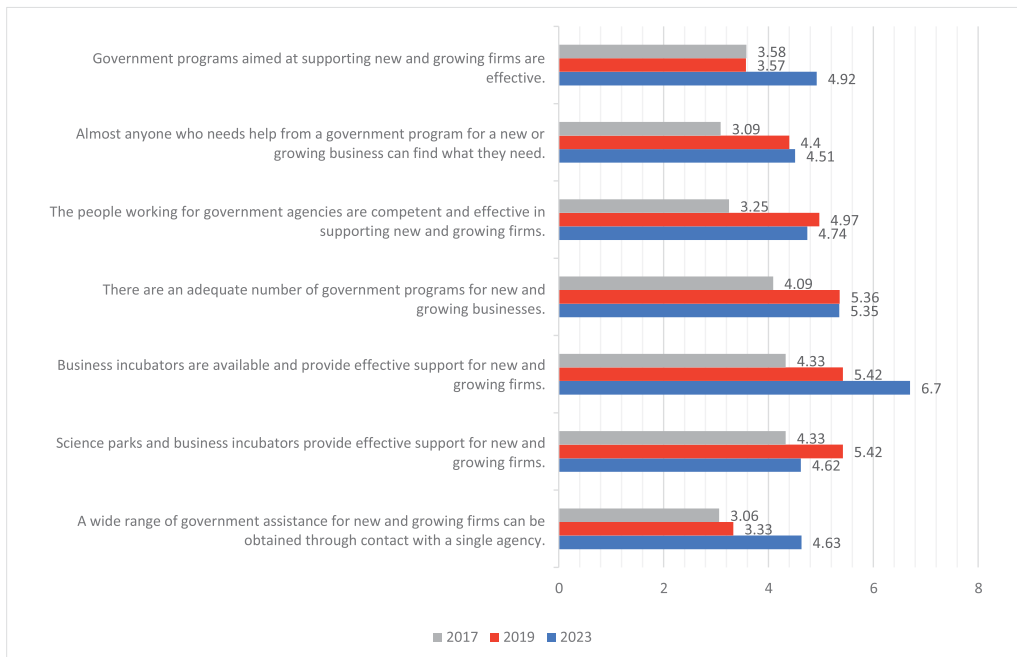


Figure 36: NES results for Government Entrepreneurship Programs EFC

- In government entrepreneurship programs, 4 out of the 7 indicators showed an increase in the points scored. How well a wide range of government assistance for new and growing firms can be obtained through contact with a single agency showed an increase in scored points, rising from 3.33 in 2019 to 4.63 in 2023 (an increase of about 39%). It can also be noticed that it showed a continuous increase in points scored from 2017 to 2023. This increase may also be supported by the establishment of the Ministry of Investment in 2021 as the main reference point for investors. In addition to that, the increase may also be supported by the initiatives led by MoDEE regarding single-agency services (e.g., Government Services Center and Sanad Application).
- The Jordanian experts believed that science parks are not sufficiently available to provide effective support for new and growing firms (this indicator showed the most

substantial decrease in scored points, dropping from 5.42 in 2019 to 4.62 in 2023, marking a decrease of about 15%). On the other hand, business incubators are available and provide effective support for new and growing firms demonstrated an increase in scored points where it went from 5.42 in 2019 to 6.70 in 2023 (an increase of about 24%). It can also be noticed that it showed a continuous increase in points scored from 2017 to 2023. This is supported by the fact that many business incubators have been recently established in public and private universities in Jordan while others are managed by the private sector and non-governmental organisations. Additionally, 40 knowledge stations have been transformed into incubators by MoDEE in all Jordanian governorates within the framework of the national incubation program.

- In the experts' opinion, there is no significant change regarding the availability of a significant number of government programs for new and growing firms between 2019 and 2023.
- The people working for government agencies are competent and effective in supporting new and growing firms experienced a decrease in scored points, declining from 4.97 in 2019 to 4.74 in 2023 (a decline of about 5%). Here, the suggestion is to train and qualify a sufficient number of government employees who can effectively facilitate the work of entrepreneurs in the country.
- Assessing whether almost anyone who needs help from a government program for a new or growing business can find what they need exhibited a slight increase in scored points, increasing from 4.4 in 2019 to 4.51 in 2023. It can also be noticed that it showed a continuous increase in points scored from 2017 to 2023.
- Government programs aimed at supporting new and growing firms are effective showed the most substantial increase in scored points, rising from 3.57 in 2019 to 4.92 in 2023 (a relative increase of about 38%). This may be attributed to the several programs that are administered by MoDEE to support entrepreneurs and the entrepreneurship ecosystem in the country.

From the results in the previous discussion and according to the experts, it can be seen that even though the Government does not provide a sufficient fund for entrepreneurial and startup companies, it continuously supports them by developing the legislative framework that governs their establishment and work. This is also supported through establishing many incubators and starting many initiatives and programs in order to reduce the barriers for entrepreneurs to start creating their businesses.

7.4 Entrepreneurial Education

This section discusses the available education programs and training established to foster upcoming and growing entrepreneurs, as well as provides information and training for potential entrepreneurs. Regarding this EFC, it exhibited one of the worst outcomes, where all its indicators showed a decrease in scored points. They all had better results in 2019 than in 2023, as shown in Figure 37.

- The three aspects that concern teaching in primary and secondary education showed a decline from their 2019 levels. The aspect of providing adequate attention to entrepreneurship and new firm creation in primary and secondary education exhibited the lowest score in this EFC (2.69). Even though the Government introduced the curriculum of financial culture in schools starting in the seventh grade in 2015 and revised these curricula in 2019, the experts are still looking for further improvement in this regard.
- Colleges and universities provide adequate preparation for starting up and growing new firms showed a substantial decrease in scored points where it went from 5.24 in 2019 to 3.68 in 2023 (a decline of about 30%). It appears that universities and colleges do not have an up-to-date curriculum and strong accredited programs for teaching entrepreneurship effectively, with qualified instructors having an entrepreneurship background.
- The Jordanian experts' opinion was also critical when it comes to the quality of practical business and management education. This particular indicator exhibited the most substantial decrease in scored points, dropping from 5.25 in 2019 to 3.55 in 2023 (a decline of about 32%). On a somehow similar trend, the vocational, professional and continuing education systems provide adequate preparation for starting up and growing new firms showed a decrease in scored points, dropping from 5.22 in 2019 to 3.84 in 2023 (a decline of about 26%).

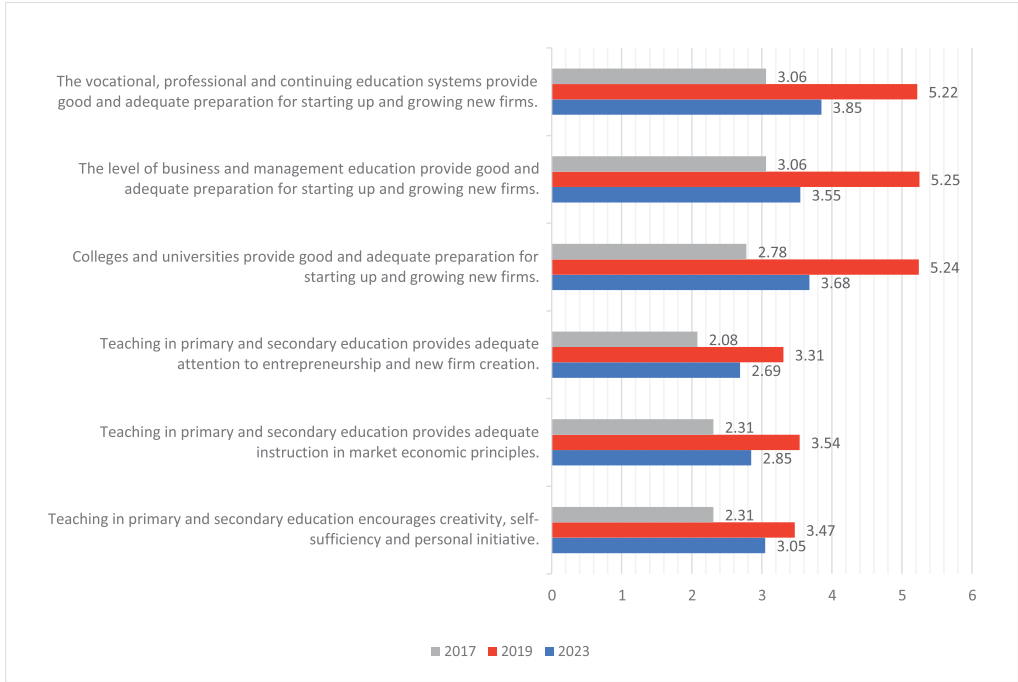


Figure 37: NES results for Education & Training EFC





7.5 Research & Development Transfers

The main focus of this framework is directed towards the current and existing technologies that contribute to assisting emerging and growing firms in gaining access to research and development opportunities. It also demonstrated one of the worst outcomes, where all its indicators showed a decline in scored points (the results of 2019 were better than those of 2023, as shown in Figure 38).

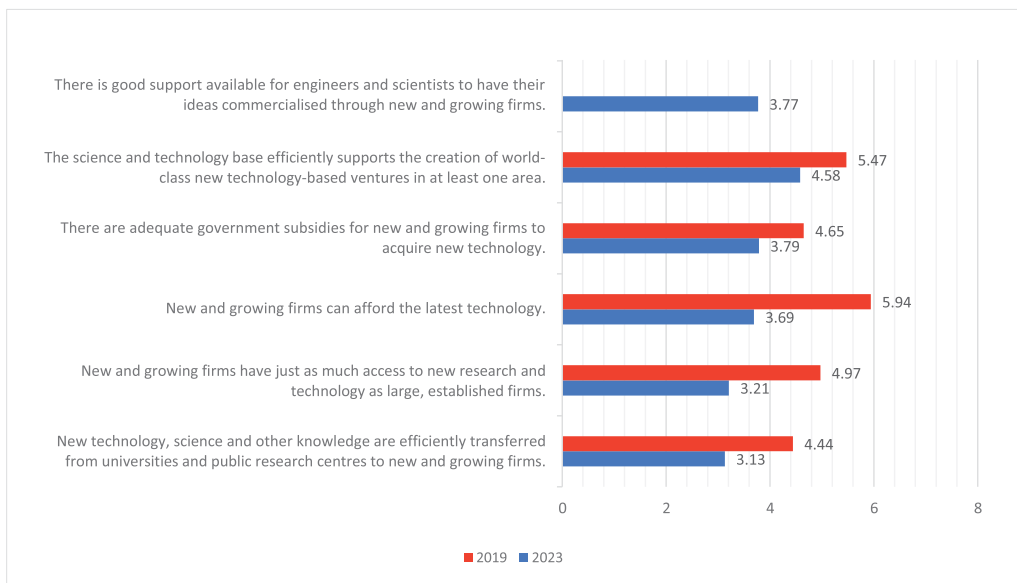


Figure 38: NES results for R&D Transfer EFC



New technology, science and other knowledge are efficiently transferred from universities and public research centres to new and growing firms showed a decrease in scoring points, where it dropped from 4.44 in 2019 to 3.13 in 2023 (a decline of about 30%). This indicator may signify an increased gap between academic research and development activities and the actual needs of the industry. It can also mean that technology transfer centres in universities are not well supported. On the other hand, whether new and growing firms have just as much access to new research and technology as large, established firms exhibited a decrease in scoring points, where it declined from 4.97 in 2019 to 3.21 in 2023 (a decline of 35%). This decline may be explained by the probable difficulty facing entrepreneurs in accessing research facilities at the university (maybe due to a lack of a way to facilitate that from a regulatory and resource-availability aspects).

Whether new and growing firms can afford the latest technology showed a substantial decrease in scored points, where it went from 5.94 in 2019 to 3.69 in 2023 (a decline of about 38%). There are adequate government subsidies for new and growing firms to acquire new technology demonstrated a decrease in scored points, where it dropped from 4.65 in 2019 to 3.87 in 2023 (a decline of about 18%). The science and technology base efficiently supports the creation of world-class new technology-based ventures in at least one area showed a decrease in scored points, dropping from 5.47 in 2019 to 4.58 in 2023 (a decline of about 16%). The EFC score related to whether there is good support available for engineers and scientists to have their ideas commercialised through new and growing firms was 3.77 in 2023 (insufficient). From the results in Figure 37, it can be noticed that R&D EFC faced a strong setback in 2023 compared to 2019. Some of the explanations can be related to the increased cost of advanced technology and the difficulty of accessing such facilities.

7.6 Commercial and Legal Infrastructure

This framework centres around ensuring that external commercial services and infrastructure are readily available and affordable, with the goal of simplifying the overall process. It also exhibited unfavourable outcomes, with all its indicators displaying a decrease in scored points. The results of 2019 outperformed those of 2023, as shown in Figure 39. The experts expressed that there are somehow sufficient subcontractors, suppliers and consultants to support new and growing firms. However, this indicator showed a decrease in scored points, dropping from 6.58 in 2019 to 6.05 in 2023 (a decline of about 8%). Still, this is much better than the 2017 level. Regarding if new and growing firms can afford the cost of using subcontractors, suppliers and consultants, the analysis of the experts’ opinions demonstrated no significant change compared with the 2019 level. On the other hand, how easy it is for new and growing firms to get good subcontractors, suppliers and consultants exhibited a decrease in scored points, where it declined from 6.28 in 2019 to 5.13 in 2023 (a decline of about 18%). It appears that new and growing firms are facing increased difficulty in obtaining good professional legal and accounting services (a substantial decrease in scored points here, where the related indicator went from 7.06 in 2019 to 5.75 in 2023, representing a decline of about 19%).

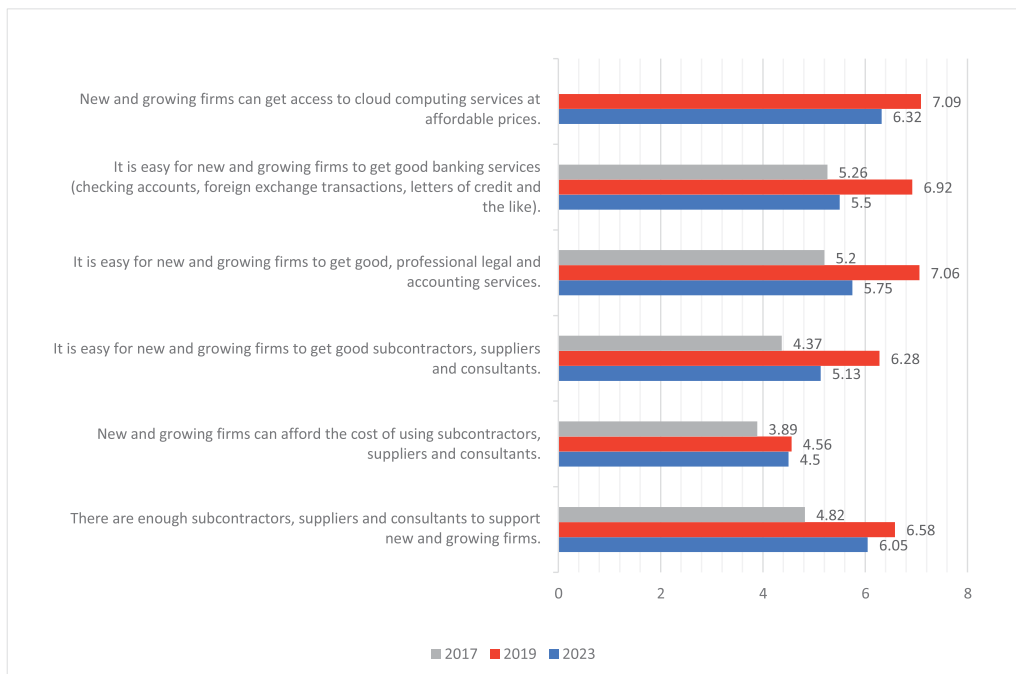


Figure 39: NES results for commercial and legal infrastructure

It was also noted that the most substantial decrease in scored points in this category was related to the ability of new and growing firms to get good banking services (dropping from 6.92 in 2019 to 5.5 in 2023, marking a decline of about 21%). This is somehow surprising as there are a variety of banking service options in Jordan. In 2023, a new indicator was introduced, which is related to how much new and growing firms can get access to cloud computing services at affordable prices. According to Jordanian experts, access to cloud computing services seems sufficient (scored 6.32). This is supported by the different programs that MoDEE is leading regarding promoting cloud services and their availability to Jordanian entrepreneurs. It can also be noticed from the data presented in Figure 38 that only one indicator has a value below 5 in 2023 (new and growing firms can afford the cost of using subcontractors, suppliers and consultants) which may be explained by some increase in the service fees required by these professionals compared to their level in 2019.

7.7 Ease of Entry

Within this section, the level of market openness will be addressed and assessed, specifically examining the affordability and ease with which new and growing businesses can enter. Additionally, the market's evolution over the years will be analysed. According to the data presented in Figure 40, this EFC demonstrated decent outcomes, where 2 out of the 6 indicators had an increase in scored points, with two indicators above 5 (sufficient).

The markets for consumer goods and services change dramatically from year to year displayed the most significant decrease in scoring points, dropping from 7.09 in 2019 to 5.23 in 2023 (a decline of about 26%). This can be considered a surprising result as many research papers have emphasised the dramatic market changes for consumer goods and services in the aftermath of the COVID-19 pandemic. A possible explanation for this result is that the trend of these changes has somehow stabilised for the years after the pandemic. On the other hand, according to the experts' opinions related to their assessment of how new and growing firms can easily enter new markets, the score exhibited an increase from 4.39 in 2019 to 4.69 in 2023 (an increase of about 7%). New and growing firms can afford the cost of market entry showed a decrease in scored points, dropping from 4.22 in 2019 to 3.80 in 2023 (a decline of about 10%). The new and growing firms can enter markets without being unfairly blocked by established firms displayed an increase in scored points, rising from 3.81 in 2019 to 4.41 in 2023 (an increase of about 16%). Related to the anti-trust legislation and whether it is effective and well enforced, the related score exhibited a

decrease from 5.14 in 2019 to 4.65 in 2023 (a decline of about 10%). This is despite the fact that Jordan has a new updated anti-trust law in 2023.

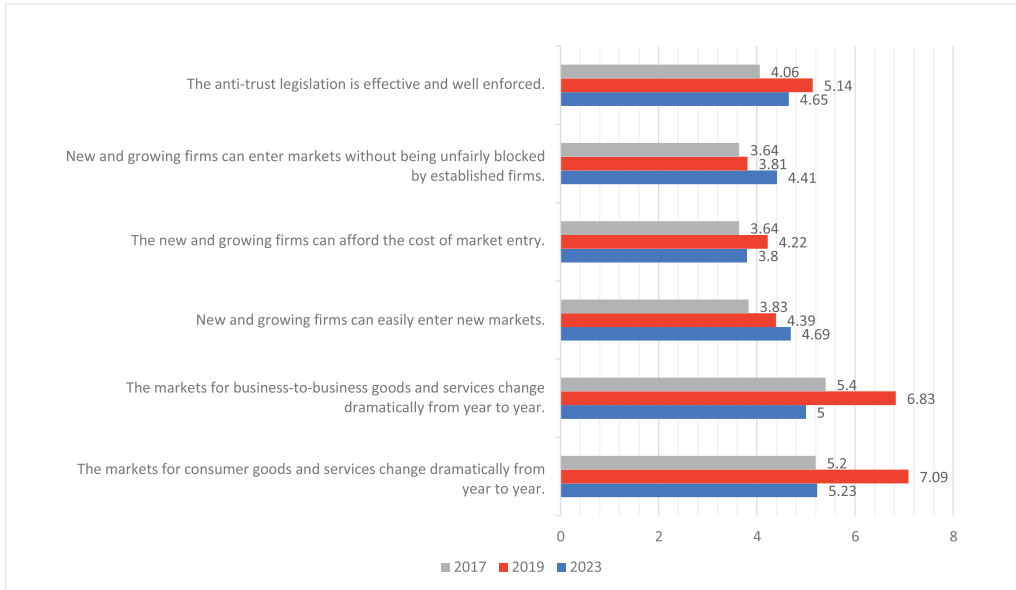


Figure 40: NES results for Easy of Entry EFC

7.8 Physical Infrastructure

The essence of this framework revolves around establishing suitable infrastructure and facilities to cater to the needs of new and growing businesses. This is achieved by evaluating the affordability, availability and appropriate accessibility of essential and supporting utilities. According to the data presented in Figure 41, this EFC exhibited relatively good outcomes as the indicators that saw a decrease in points experienced only a minor decline in their values. Moreover, two new indicators were introduced for this year.

Regarding whether the physical infrastructure provides good support for new and growing firms, this indicator exhibited a decrease in value, where it declined from 6.42 in 2019 to 5.97 in 2023 (a decline of about 7%). As confirmed by the experts, it is not too expensive for a new or growing firm to get good access to communications (this indicator displayed a slight increase in scored points, rising from 7.83 in 2019 to 7.85 in 2023). It can also be noticed that it showed a continuous increase in points scored from 2017 to 2023. This means that Jordan continues to enjoy accessible and effective communication means that

can benefit new and growing businesses.

A new or growing firm can get good access to communications (telephone, internet, etc.) in about a week showed a decrease in scored points, dropping from 8.58 in 2019 to 7.85 in 2023 (a decline of about 9%). However, these values remain highly sufficient. On the other hand, new and growing firms can afford the cost of basic utilities (gas, water, electricity, sewer) demonstrated an increase in scored points, rising from 6.11 in 2019 to 6.72 in 2023 (an increase of about 10%). Here, according to the experts' opinion, utility costs do not seem to be a big burden on new and growing businesses.

New or growing firms can get good access to utilities (gas, water, electricity, sewer) in about a month demonstrated a decrease in scored points, declining from 8.00 in 2019 to 7.38 in 2023 (a decline of about 8%). A new indicator was introduced, which is whether there are plenty of affordable office spaces to rent for new and growing firms, and it scored 6.73 points. Since this value is above 5, the indicator is considered sufficient. Similarly, the other new indicator which was introduced (whether there are plenty of affordable production spaces to rent for new and growing firms) seems also sufficient, with a score value slightly below 6. These indicators mean that there are many available options for new entrepreneurs to take advantage of available office spaces and production sites in the country.

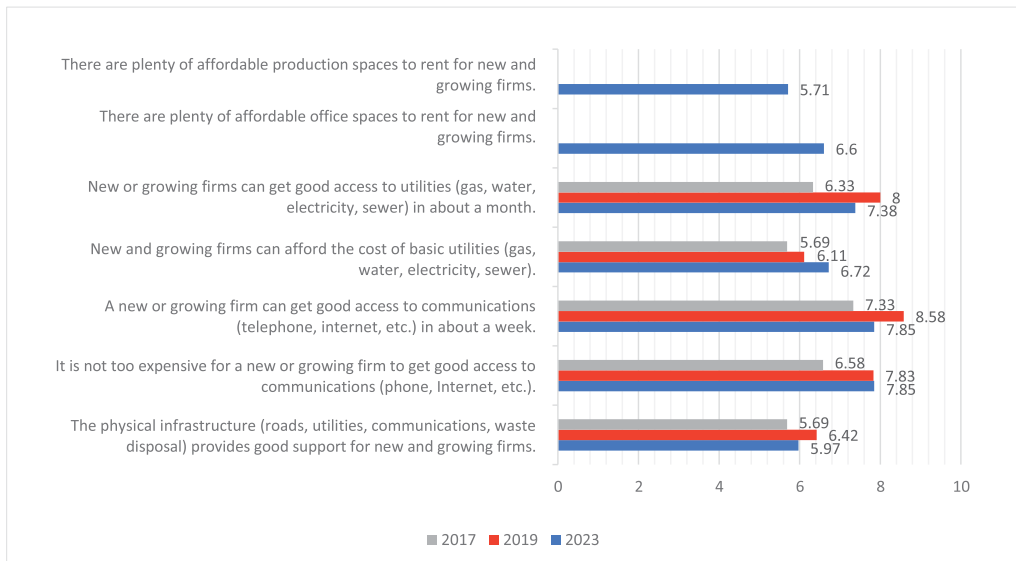


Figure 41: NES results for Physical Infrastructure EFC

7.9 Cultural and Social Norms

This framework centres on the societal viewpoint and prevailing social norms related to entrepreneurship. It mainly measures the extent to which national culture fosters and sustains an entrepreneurial mindset, along with its fundamental principles. This EFC has exhibited unfavourable results, with all indicators experiencing a decline in value, as shown in Figure 42.

The indicator that measures whether the national culture is highly supportive of individual success achieved through own personal efforts showed a decrease in scoring points, dropping from 5.78 in 2019 to 5.62 in 2023 (a decline of about 3%). Despite this decrease, the indicator is still sufficient. Similarly, the national culture emphasises self-sufficiency, autonomy and personal initiative exhibited a decrease in scoring points, declining from 6.17 in 2019 to 5.33 in 2023 (a decline of about 14% but still considered sufficient). The experts' opinions regarding national culture's encouragement of entrepreneurial risk-taking exhibited the most substantial decrease in the scored points, dropping from 5.64 in 2019 to 4.45 in 2023 (a decline of about 21%). The experts think that the national culture's encouragement of creativity and innovativeness is slowing (the indicator showed a substantial decrease, where it went from 6.19 in 2019 to 5.08 in 2023, marking a decline of about 18%). On the issue of whether the national culture emphasises the responsibility that the individual (rather than the collective) has in managing his or her own life, the related indicator demonstrated a decrease, where it dropped from 5.72 in 2019 to 4.58 in 2023, marking a decline of about 20%. The shadow of the COVID-19 pandemic is seen here as a high number of businesses went out of the market. Based on that, one can explain the drop-in support of the national culture for risk-taking entrepreneurs by the concerns related to possible financial loss given the slow national economic growth and high unemployment rate (here, it is possible that the culture encourages people to stay in their jobs and not quit to start a business).

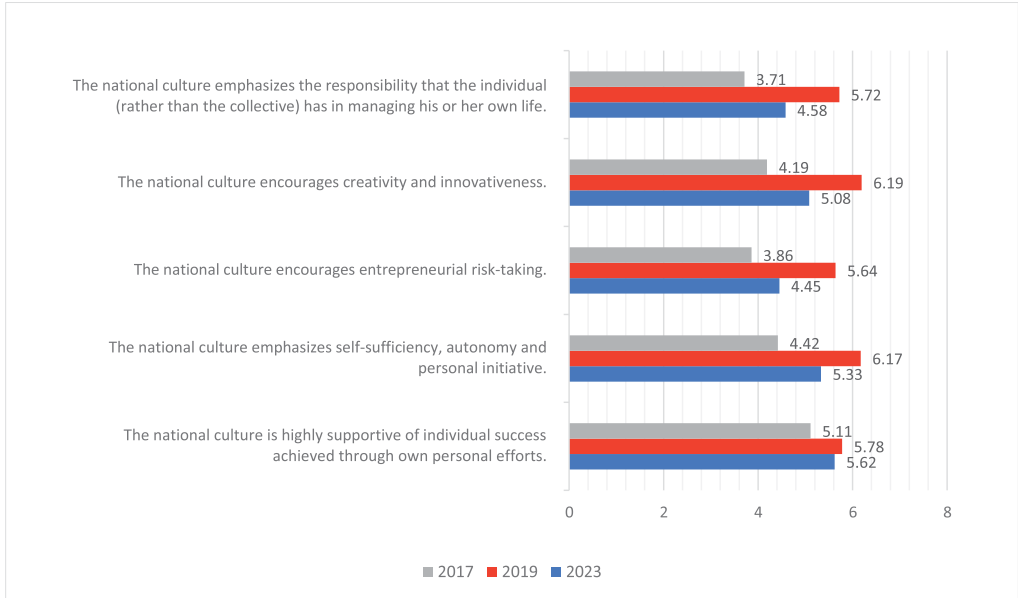


Figure 42: NES Results for Cultural & Social Norms



Mohammad Obaidat

Queen Rania Centre for Entrepreneurship

“As we work with technology-based startups, we believe that Jordan's entrepreneurship ecosystem is rapidly evolving, full of potential and offering vast opportunities to tap into diverse markets across various regions, marking it as an expanding hub for innovation and startups growth.”

7.10 Women's Entrepreneurship

The newly added framework concentrates on female entrepreneurship and its potential distinctions compared to male entrepreneurship. It seeks to evaluate how the diverse aspects covered by the aforementioned frameworks, spanning from financing to national culture, might vary based on the gender of the entrepreneur. This area is an essential one to add. Empowering women entrepreneurs can contribute to economic growth, bring unique perspectives, create new job opportunities and overcome gender-related barriers.

As shown in Figure 43, there are sufficient support services (i.e., childcare, home services, after-school programs, elder care, etc.) so that women can continue to run their businesses even after they have started a family, scored 3.77. This means that this indicator is not sufficient to promote women's entrepreneurship in Jordan. Moreover, it looks like the support services (i.e., child-care, home services, after-school programs, elder care, etc.) are not very affordable (the related indicator scored 3.41, which is also insufficient), according to the experts' opinion.

When it comes to the regulations for entrepreneurs and whether they are so favourable that women prefer becoming an entrepreneur instead of becoming public or private employee, it appears that the related indicator is highly insufficient, marking the lowest score in this category (3.26). In addition to that, the national culture encourages women equally as men to become self-employed or start a new business, scoring 4.05 points (not sufficient). The experts also confirmed that markets are usually more accessible for male than female entrepreneurs (6.13 points). Approximately, it looks like men and women entrepreneurs can equally access public procurement and have the same opportunity to access available financing. The data indicates that female nascent entrepreneurs have a slightly better chance of getting seed funds than male entrepreneurs. From the data presented in Figure 43, it looks like regulations are the main issue facing female entrepreneurship in Jordan. In addition to that, market openness to female entrepreneurs appears to be limited.

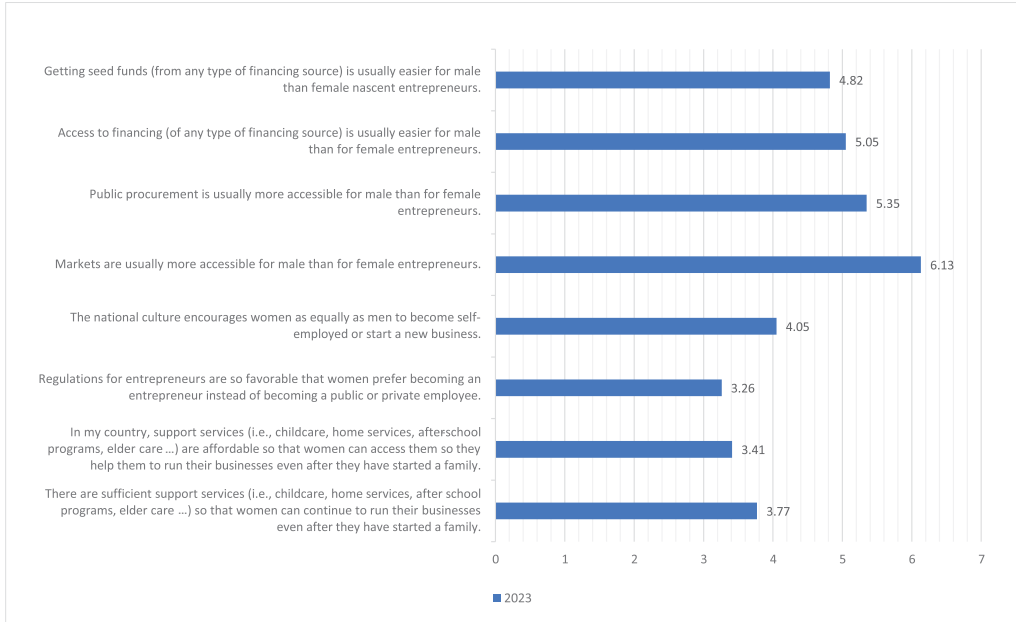


Figure 43: NES results for Women's Entrepreneurship in Jordan

7.11 Sustainable Development Goals (SDGs)

The last framework addressed in the NES deals with the UN's 17 SDGs, which were created in 2015 as a blueprint for peace and prosperity for people and the planet, now and into the future. Following these goals and emphasising their importance in new businesses and adopting them in social/economical aspects will lead to them being more attractive and can lead to a better quality of life. The following can be concluded from the data presented in Figure 44:

- New and growing firms increasingly prioritise their social contribution rather than solely focusing on profit and wealth creation scored 4.60 points.
- New and growing firms integrate social responsibility principles into their business operations attained 4.87 points.
- Investors are particularly interested in funding new firms that focus on social responsibility scored 4.93 points.
- Firms see paying taxes as part of their social responsibility achieved the lowest score, which amounted to 3.70 points.
- Investors and stakeholders are satisfied with the economic performance of companies they have invested in scored 4.50 points.
- New and growing firms founded by members of minority groups have the same economic opportunities as other new firms had a close score, which is 4.53 points.
- Most new and growing firms implement environmentally conscious practices when producing products or supplying services scored 4.43 points.
- Most new and growing firms prioritise energy efficiency practices in their operations scored 5.08 points.
- Most new and growing firms see environmental problems as a potential opportunity scored 5.33 points.
- Sustainability practices are seen as very important within the national culture scored 4.7 points.
- There are prominent examples of entrepreneurial activities related to SDGs within the business sector attained the highest score, which equated to 5.33 points.
- The national government has specific regulations that support sustainability-focused startups scored 4.92 points.

- The national government supports sustainability-focused firms through grants, special rights and/or tax cuts scored 4.35 points.

For this aspect of the SDGs, indicator 4 was the only value below four and attained the least value; thus, it should be highlighted. However, three other indicators are above five and can be considered sufficient.

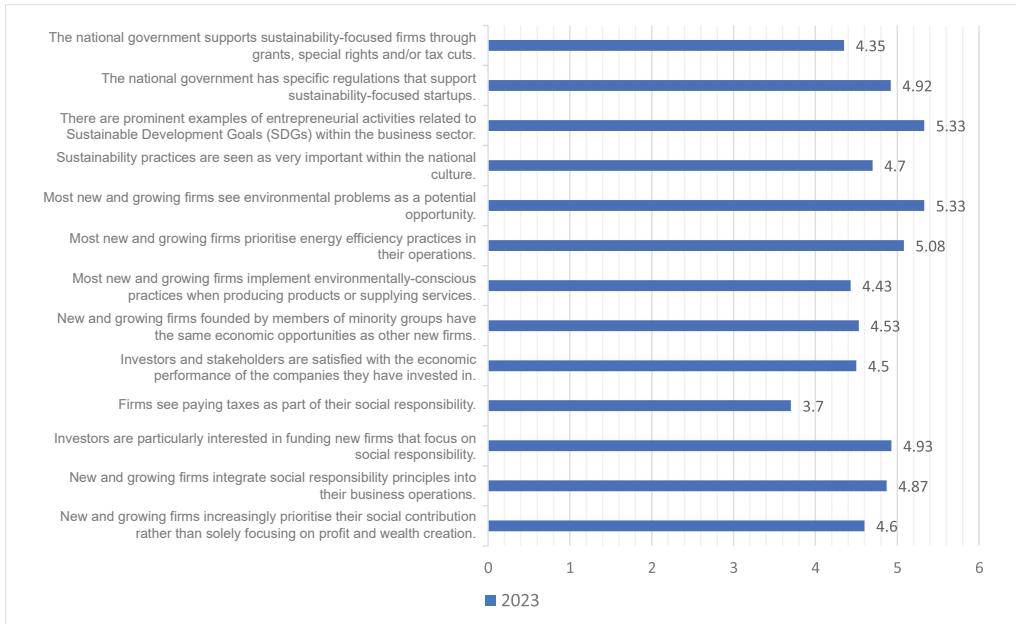


Figure 44: NES results for pursuing the UN's Sustainable Development Goals (SDGs)



7.12 National Entrepreneurship Context Index (NECI)

The findings from the NES reveal several notable points. In 2023, as shown in Figure 45, the EFC exhibiting the highest average score was physical infrastructure, attaining a value of 6.90. This observation aligns with the 2019 results, where physical infrastructure also secured the highest score at 6.75. Furthermore, for both 2019 and 2023, entrepreneurial education stood out as the EFC with the lowest average score, registering 4.34 in 2019 and 3.25 in 2023. It's noteworthy that both values fell below the average (which is 5) and decreased from their 2019 levels. Out of the 13 EFCs, only 5 were considered sufficient for Jordan. For comparison, the United Arab Emirates scores were sufficient in all EFCs.

Consequently, it becomes evident that prioritising the EFCs with declining values in 2023 compared to their 2019 counterparts, especially focusing on entrepreneurial education given its consistently low scores, is highly advisable. The majority of the EFCs require enhancement.

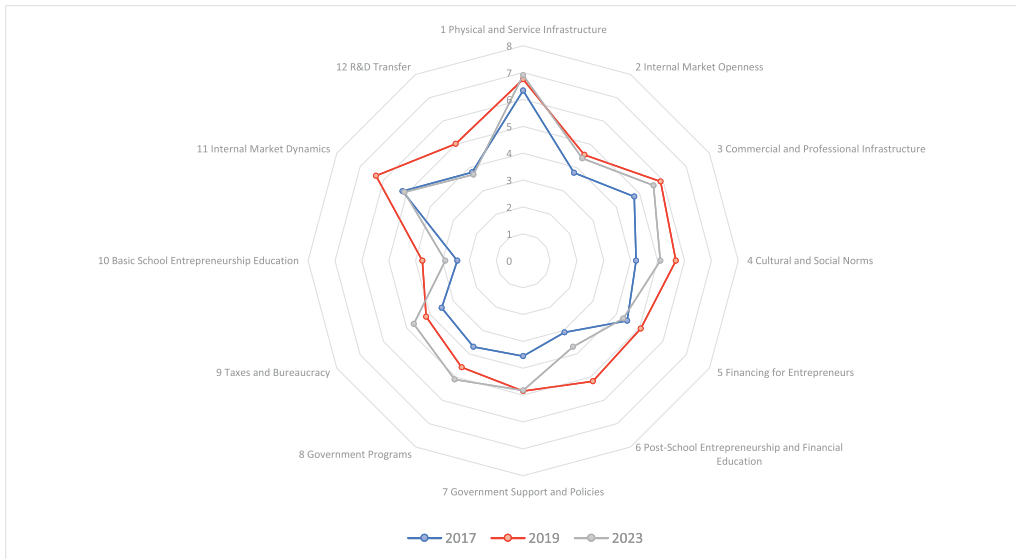


Figure 45: The average of 12 EFC indicators for the NES study

This year, 49 countries have participated in the NES study around the world. The National Entrepreneurship Context Index (NECI) for 32 countries is presented in Figure 46. The NECI represents the average of all EFCs, where Jordan has a NECI score of 4.7. It is worth noting that Jordan's NECI score is the same as the GEM total average of all countries participating in the 2023 NES study. Among the participating countries, Jordan is ranked 20. The NECI for Jordan in 2019 was 5.24, and the country was ranked 11. The 2023 results

represent a 10.3% decrease in the NECI compared with the 2019 level. It is also worth noting that countries like the United Arab Emirates and Saudi Arabia have a higher NECI than Jordan, scoring 7.8 and 6.3 respectively.

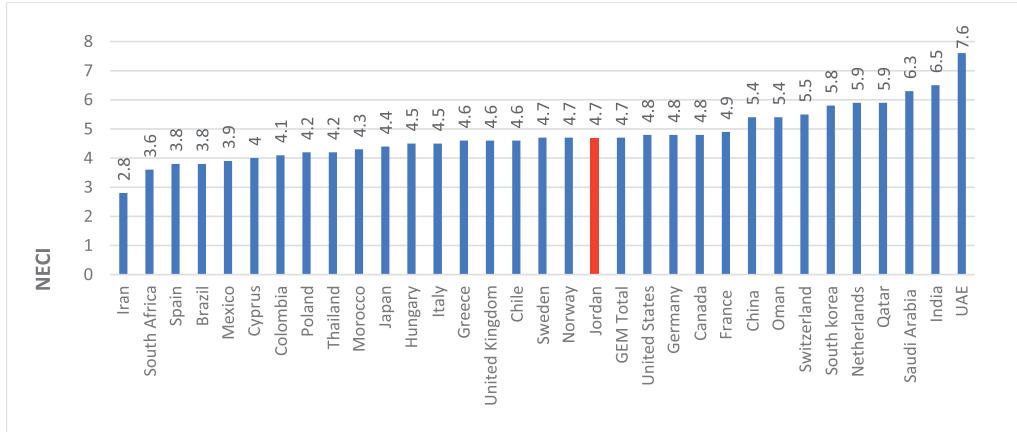


Figure 46: The NECI for selected countries participating in 2023 NES study. The GEM total represents the average score of all countries participated in the NES study.

The significant decline in the NECI for the EFC in 2023, notably dropping below the average of 5, in contrast to the NECI of 5.24 observed in 2019 [Source: Jordan 2019 GEM Report], can be attributed to the profound impact of the COVID-19 pandemic. This global crisis has posed extensive challenges both domestically and internationally. However, the emphasis on recovering from the pandemic's aftermath and fostering entrepreneurship in Jordan holds the potential to elevate these scores. This is evident in the upward trajectory of the government programs and policy frameworks between 2019 and 2023, symbolising initial strides by the Government towards entrepreneurial development. These positive trends may hopefully extend to other frameworks in the forthcoming years. Furthermore, the EFC for education and training was measured to be the lowest score in 2023 and also suffered a decrease from the NES score of 2019. This signifies the importance of focusing on youth entrepreneurship and establishing programs, trainings and curricula to encourage and support that path.

Chapter 8: Focus on Demographic Analysis (Profile of Entrepreneur)

8.1 Gender

When it comes to the TEA, Jordan is ranked 2nd among 4 countries (Jordan, Qatar, Saudi Arabia and Oman) with a TEA of about 16%. In terms of gender, Figure 47 shows that the involvement of males in the TEA and EBO is much higher than that of females within the surveyed sample in Jordan. The results show that 20% and 11% of the male respondents are involved in the TEA and EBO respectively while the percentages for the female respondents are 11% and 3% for the TEA and EBO respectively. This gender gap in Jordan is wider than that in Qatar, Saudi Arabia and Oman.

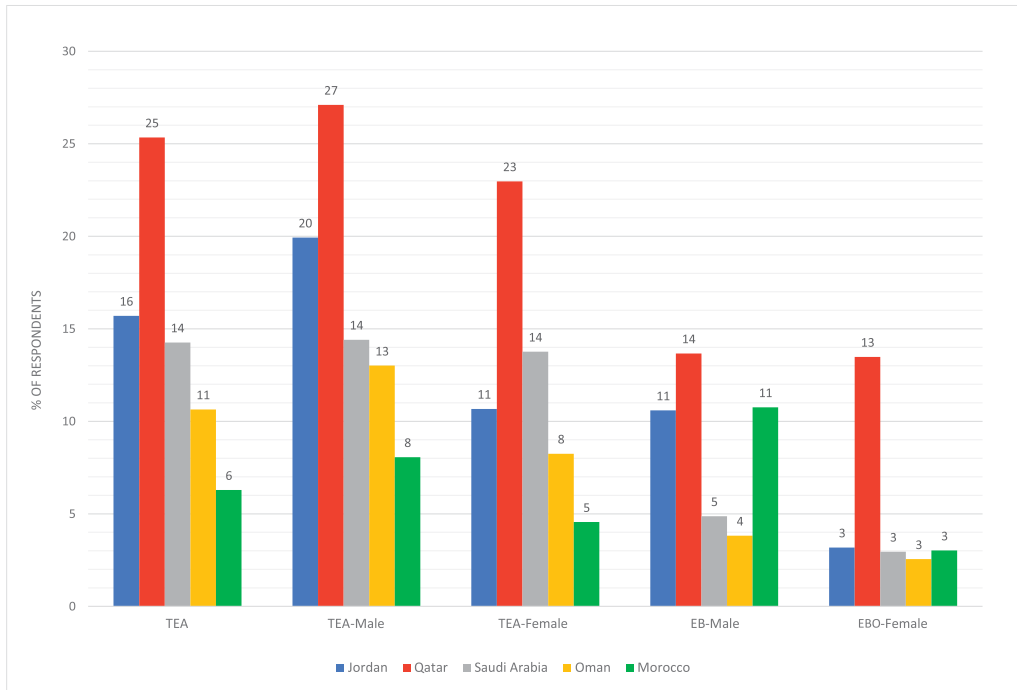


Figure 47: The percentage of TEA and EBO according to gender in Jordan compared to other regional countries

8.2 Age

In terms of age, Figure 48 presents the percentage of respondents involved in the TEA for each of the respondents' age groups. Here, the results show that entrepreneurship activities (as measured by the TEA) are most common among respondents in the age group of 25-34 years, with an involvement rate of about 19%. In addition to that, the results show that the older the respondent is, the less likely he/she is to become involved in the TEA. For the age group 18-24 years, 13% of the respondents are involved in the TEA. Here, the explanation is that most of the youth in this age group are still in their post-secondary education. The same trend can also be seen in other MENA region countries but with different peak age groups: 45-54 years for Saudi Arabia and Qatar and 35-44 years for Oman and Morocco.

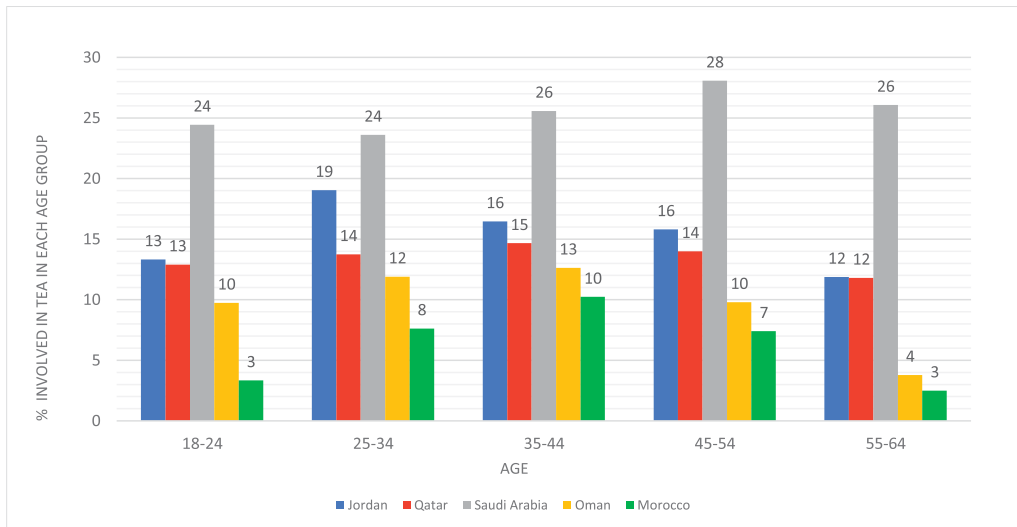


Figure 48: The percentage of respondents involved in the TEA in each age group (18-64)

Figure 49 presents the percentage of involvement in EBO within each age group. The results show an ascending trend: the older the respondent is, the more likely he/she becomes the owner/manager of an established firm. The same trend can also be seen in Saudi Arabia, but not in Qatar, Morocco, and Oman where the involvement in the EBO reaches its maximum at a certain age group and then starts to decline.

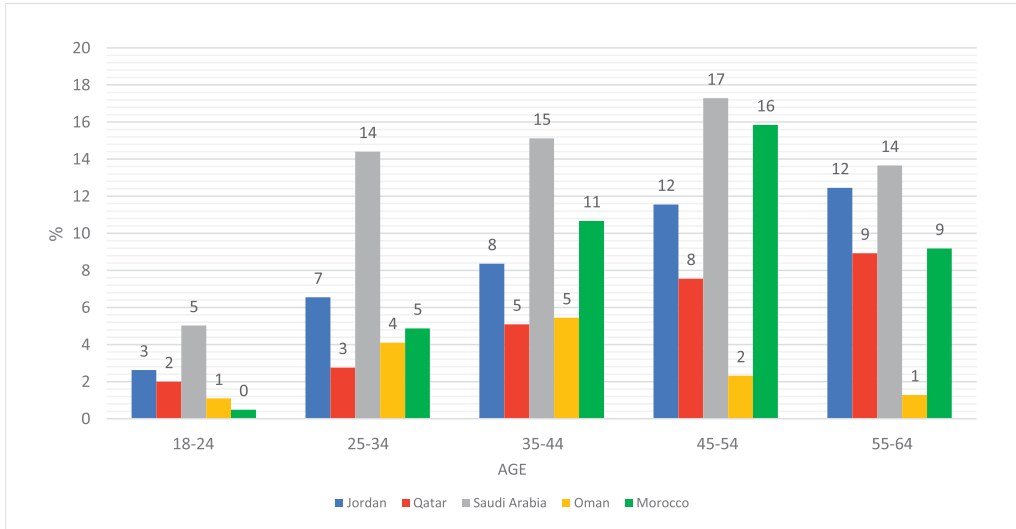


Figure 49: The percentage of respondents involved in the EBO in each age group (18-64)

Figure 50 presents the age distribution within TEA for Jordan compared with other Middle Eastern countries. The results show that more than one-third of the respondents involved in the TEA are within the age group of 25-34 years. Only 20% of the TEA are older than 44 years, which also supports the argument that the older the respondent is, the more likely either he/she is involved in an established firm or has secure employment. The same can be seen in other MENA region countries.

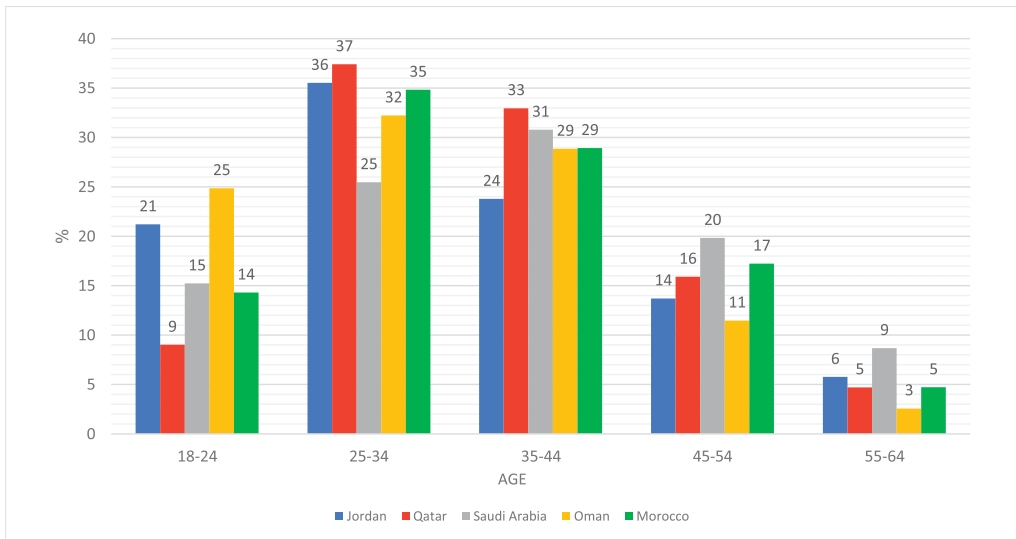


Figure 50: The percentage of respondents within the TEA according to their age group (18-64)

In terms of EBO, a uniform distribution among different age groups can be observed in Jordan. Almost one-quarter of the respondents involved in EBO fall within each of the three middle working age groups, i.e., 25-34, 35-44 and 45-54. The fourth quarter is divided between the early working age group (18-24 years: 9%) and the late working age group (55-64 years: 13%). Figure 51 shows that the percentage of the respondents who are between 25 and 44 years old and involved in EBO is about 26%. Jordanians in the age group of 35-44 seem to have lower participation in EBO compared with other MENA region countries.

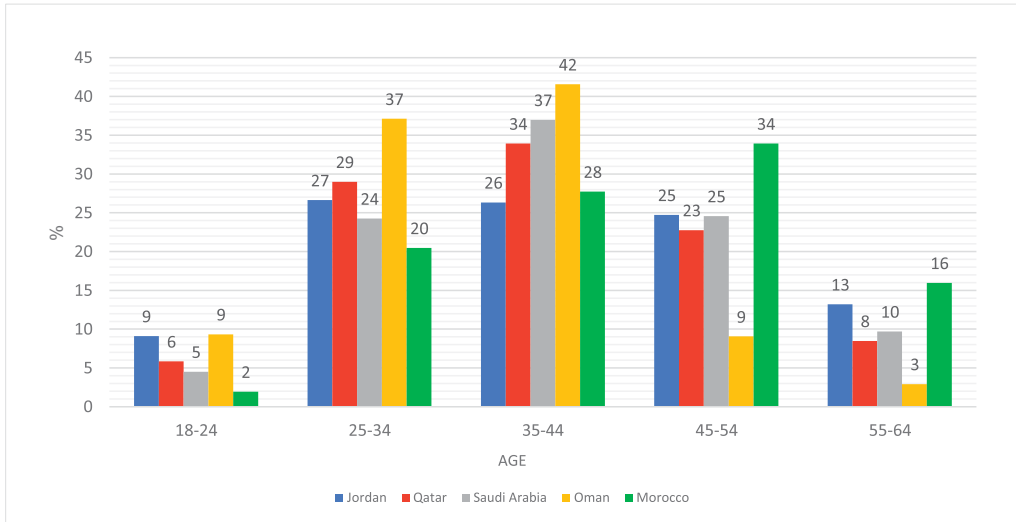


Figure 51: The percentage of respondents within EBO according to their age group (18-64)

8.3 Working Status

Regarding working status, the results show that 26% of the working Jordanians who participated in the survey are involved in the TEA. This is an indication that they are considering the TEA as a second source of income. This percentage is high compared with Saudi Arabia (16%), Oman (13%) and Morocco (10%). In Jordan, only 7% of unemployed respondents and 11% of the students or retired group are involved in the TEA. These two percentages are comparable with the other two countries (Oman and Saudi Arabia), as indicated in Figure 52.

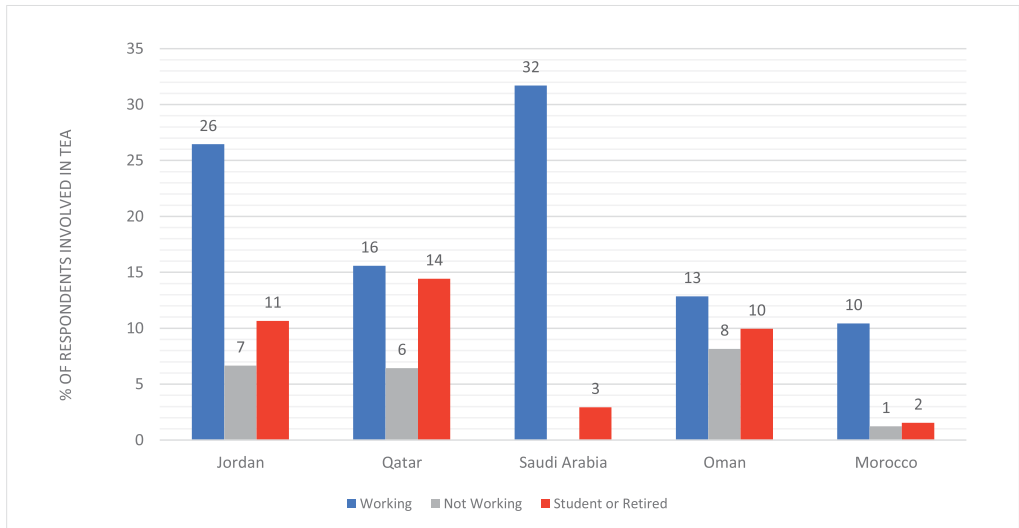


Figure 52: The percentage of respondents involved in TEA according to their working status

Chapter 9: Youth Entrepreneurship

The GEM Youth section evaluates the perception of entrepreneurship potential among youth in Jordan. It is a survey system that inquires about general perceptions of success, support systems for entrepreneurship and societal perceptions of entrepreneurial careers. It utilises graphs and charts to evaluate the extent of youth's knowledge about educational support systems, barriers to entry, and personal experiences. The GEM Youth Surveys 2023 contribute to the overall Jordan National Report 2023, which evaluate the complete picture of the entrepreneurship activities in Jordan as a tool utilised by policymakers and service providers for entrepreneurs.

9.1 GEM Youth Entrepreneurship Summary

The GEM Youth Surveys 2023 indicates generally that:

- (79%) of Youth express confidence about starting a new business.
- Education systems do not provide adequate support and learning opportunities for entrepreneurs (40%) (Only 15% said they are adequately supported)
- Local community does not provide sufficient support for aspiring entrepreneurs (85%)
- Social media positively impacts desires to become an entrepreneur (79%)
- Being young plays a factor in becoming an entrepreneur (76%)

In general, the GEM report indicates that youth in Jordan feel positively about starting a business, and their chances of success in that venture. However, the report also indicates that a vast majority (>80%) of surveyed youth are not aware of any entrepreneurship programs targeting youth and have not participated in any workshops or programs designed to educate and support youth in entrepreneurship fields. About 58% of youth were encouraged to start a business after attending any entrepreneurship-related programs or events (e.g., workshops, accelerators, pitch competitions, hackathons, etc.)

There is a clear disconnect between the theory of becoming an entrepreneur and the actuality of becoming an entrepreneur. This is further proved by the fact that a vast majority (83%) of youth have never faced legal or regulatory barriers to starting a business, but 83% also said that legal and financial obligations form 'a state of hesitation' in their path to success, to a medium or large degree. Additionally, a vast majority (77%) indicated that a dedicated program at their university would motivate them to pursue entrepreneurship.

The most mixed results were related to the effect of having an entrepreneur in the family; only 47% of participants said that it would impact their own aspirations. However, 81% said that their family has a medium-large positive impact on their becoming entrepreneurs. Based on the survey results alone, it seems that one way to stimulate entrepreneurial growth would be to increase the amount of entrepreneurship testimonial content on social media platforms, where 74% indicated that hearing someone’s personal experience with entrepreneurship would influence their own thinking, and 79% said social media was a positive influence on their aspirations. As depicted in Figure 53, the Youth (18-24 years old) have a very low TEA compared to the other age groups in the survey; only 13% of the youth are involved in such activity.

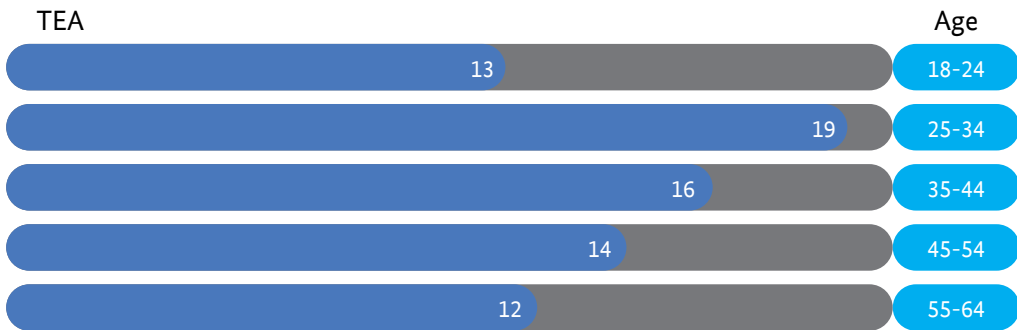


Figure 53: Involved in Total early-stage Entrepreneurial Activity by age

In addition, as shown in Figure 54, the youth (18-24 years) had the lowest percentage when it comes to EBO, which is defined by GEM as the “percentage of 18-64 population who are currently considered EBO.

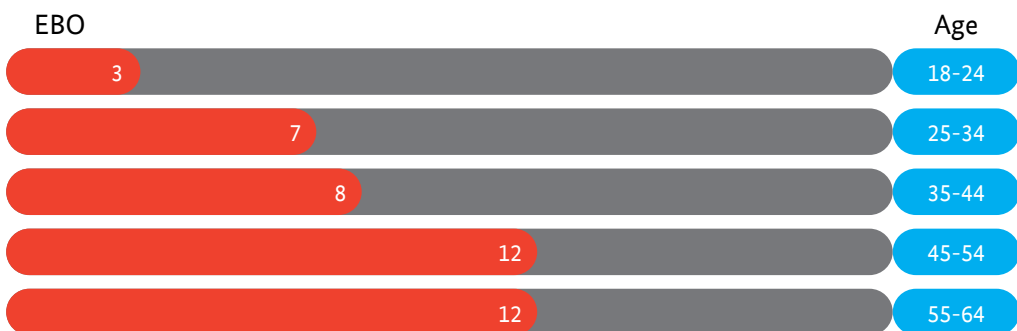


Figure 54: Involved in EBO by age

9.2 Comparative Analysis

Compared with a regional 2017 Brookings Report on Entrepreneurship and small-medium enterprises¹, Jordan appears to be ahead of the curve in terms of reducing barriers to access for new business owners. The figures showed an increase in the youth's willingness to start or participate in new entrepreneurship activities. Based on low confidence, low perception of support for both educational programming and financial aid, and low awareness of entrepreneurship programs/workshops/opportunities, it appears that Jordan still has an opportunity to use more government funding to support systems for new businesses. Participants who attended any entrepreneurship-related programs or events (e.g., workshops, accelerators, pitch competitions, hackathons, etc.) for entrepreneurs indicated (58%) that they were encouraged to start a business after the program.

When compared with other countries, Jordan ranks highly among its peers in this area². It also ranks above average in the 'ease of doing business' category, compared to the region³. However, there is still room for growth. One potential outlet for ever-increasing bloated bureaucratic systems is support for job-providing SME's, which outperform businesses that benefit from nepotism and favouritism in employment opportunities. Jordan in particular, with a high unemployment rate, could benefit from such opportunities. However, with 95% of Jordan's formal employment falling under SME's (according to data from the 2019 GEM Report),⁴ it is obvious that more government support is required to increase the success rate of new businesses and increase job opportunities.

Additionally, there is potential for the utilisation of social media to spread education and promote programs (private or public) that would support entrepreneurs. Survey results showed a strong correlation between personal stories and experiences and motivation to pursue a business career, which could be utilised by both public and private actors to increase the availability of information for youth looking for entrepreneurship opportunities.

Compared with the 2019-2020 GEM National Report for Jordan, it appears as though many of the issues outlined in the Brookings Report⁵ still persist. A cross-comparison of the past three surveys (2017, 2019 and 2023) shows a yearly increase in those citing government

1 entrepreneurship_in_the_arab_world.pdf (brookings.edu)

2 GEM Global Entrepreneurship Monitor (gemconsortium.org)

3 GEM Global Entrepreneurship Monitor (gemconsortium.org)

4 GEM Global Entrepreneurship Monitor (gemconsortium.org)

5 entrepreneurship_in_the_arab_world.pdf (brookings.edu)

intervention as the deciding factor in quitting a business. The 2017's survey indicates that only 7% found government intervention to be the leading cause, followed by an increase to 16.09% in 2019, and 17% in 2023 while another 12% cited financing as a leading cause. Although the largest reason was non-profitability (51%), a high number of business owners still don't have the public support necessary to be successful, despite a profitable business. Additionally, entrepreneurial employees and businesses consistently acknowledged that their technology and product/service were not new to the population in their area, which is a strong indicator of a saturated market, reflecting that new ventures may not be as possible as the more recent youth survey hopes. In this, it is apparent that the Government intervention alongside financial means are the driving deterrents to industrial growth.

In the 2019/2020 report, the lowest contributing age group was the 18-24 bracket, at just 5.3%, compared to 13% for the TEA. However, there was a higher percentage of success in business with the 18-24 age group, with only a 7% discontinuity rate (the lowest of any age group).

Obtaining a higher education and starting a business are both pursuits due to the job scarcity observed in Jordan in the 2019 report. As presented, those with a collegiate level of education make up 59.55% of the TEA rates in Jordan. This is further supported by the fact that specifically those with a bachelor's degree find the entrepreneurial sector to replace the lack of availability in the scarcity job market. There was a general lack of perception of good business opportunities in "the next 6 months" at the time of the report. The 2019 surveyed group was 18-99 years old, and only 37% had a positive view of future opportunities while the more recent youth report showed a much higher percentage of respondents who forecast success in business ventures. Despite 2023's high levels of education among entrepreneurs, there is still a 65 % majority who do not see the opportunity for good business ventures in spite of personal knowledge/qualifications/ability. Essentially, it seems to be a systematic problem rather than an individual lack of education, capability or ingenuity.

9.3 Main results

As depicted in Figure 55, the results indicate that 79% express confidence about starting a new business. These findings suggest that the vast majority of the respondents, predominantly young individuals, have a strong belief in their ability to initiate a new business venture. However, a small percentage exhibits a lack of confidence.

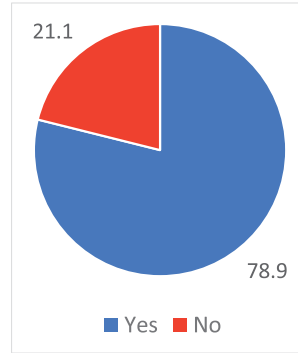


Figure 55: Do you feel confident starting a new business?

Furthermore, as shown in Figure 56, the results reveal that 72% of respondents believe that youth have the same chance of being entrepreneurs as other age groups while 26% disagree. These findings suggest a positive perception among the majority regarding equal entrepreneurial opportunities for the youth, but a notable proportion holds a different view, warranting further investigation into the factors shaping these perspectives.

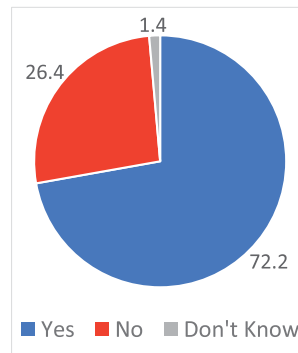


Figure 56: Do you think the youth have the same chance of being entrepreneurs as other age groups?

Figure 57 shows that 15% of respondents are aware of specific entrepreneurship programs targeting youth (18-24), while the majority, 85%, are not aware of such programs. This indicates a potential gap in knowledge about available entrepreneurship initiatives tailored for the youth, suggesting an opportunity for increased awareness and outreach efforts.

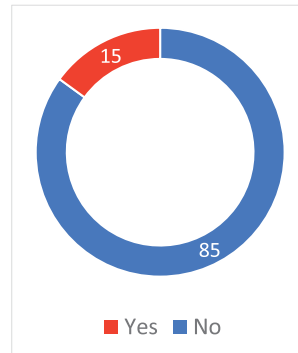


Figure 57: Do you know of any specific entrepreneurship programs targeting youth (18 -24)?

Figure 58 indicates that 19% of respondents have participated in entrepreneurship-related programs or events (such as workshops, accelerators, pitch competitions, hackathons, etc.) in the past years, while the majority, 81%, have not. These findings suggest that there is a relatively low engagement in entrepreneurship-related activities among the surveyed group, highlighting potential areas for promoting and encouraging participation in such programs.

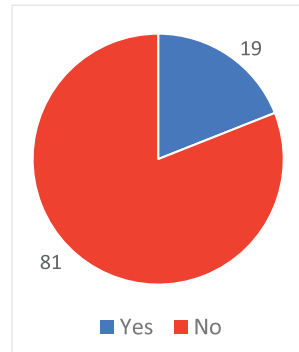


Figure 58: Have you participated in any entrepreneurship-related programs or events (e.g., workshops, accelerators, pitch competitions, hackathons, etc.) in the past years?

Moreover, Figure 59 shows that 58% of young individuals feel encouraged to start a business after attending these programs while 41% also responded negatively, indicating that there might be varying levels of impact or influence from the programs on entrepreneurial motivation. Further exploration could help understand the factors contributing to both positive and negative responses.

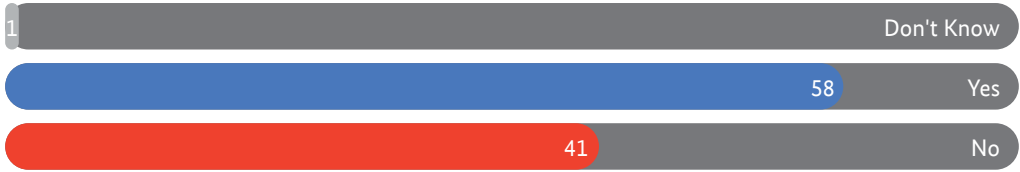


Figure 59: As a young person, are you encouraged to start a business after attending these programs?

The results shown in Figure 60 indicate that 85% of the participants believe that their local community does not provide sufficient support and resources for young people interested in entrepreneurship while only 13% think there is enough support. It is worth noting that 2% chose not to respond or are not adequately informed about the topic. These findings highlight an awareness of a lack of support and resources in the local community for young individuals interested in entrepreneurship, suggesting the potential for improvement in resources and increased support.

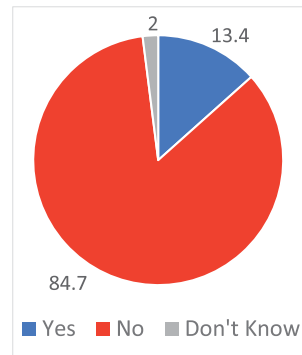


Figure 60: Do you think that your local community provides sufficient support and resources for young people interested in entrepreneurship?

The results indicated that the importance of the local community support, by the highest percentage (35%) are to motivate youth to start projects. Following closely behind is the importance of gaining experience and skills (26%), which is crucial for personal and professional growth. Financial and moral support also plays a significant role (23%) in enabling youth to succeed in their endeavours. Obtaining better job opportunities (11%) is highlighted as a key aspect of youth empowerment and advancement. Lastly, community and youth development (6%) emphasises the broader impact of supporting youth in contributing to the overall growth and well-being of society.

The importance of the local community support	%
Motivating youth to start projects	35
Gaining experience and skills	26
Financial and moral support	23
Obtaining better job opportunities	11
Community and youth development	6

Table 2: The importance of the local community support

Results indicate that 7% of respondents have faced legal or regulatory barriers when attempting to start or run a business as young individuals while the majority, 83%, have not encountered such obstacles. This suggests that the majority have had a relatively smooth experience in terms of legal and regulatory challenges when engaging in entrepreneurial activities.



Figure 61: Have you ever faced any legal or regulatory barriers when trying to start or run a business as a young person?

In regards to the youth familiarity with the latest trends and developments in entrepreneurship in Jordan, responses indicate the following distribution:

• Not familiar at all:	30.3%
• Somewhat familiar:	28.2%
• Moderately familiar:	34.5%
• Very familiar:	7%

These results suggest a range of familiarity among respondents regarding the latest trends and developments in entrepreneurship in Jordan. A notable portion expresses a moderate level of awareness while others vary from low to very high levels of familiarity.

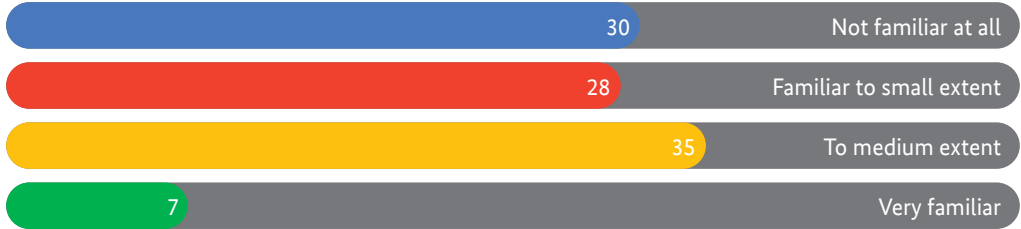


Figure 62: How familiar are you with the latest trends and developments in entrepreneurship in Jordan?

The results show the following distribution:

• To a great extent:	51.5%
• To some extent:	29.6%
• To a small extent:	10.3%
• No influence at all:	8.9%

These findings indicate that a significant portion of respondents believe their family has a positive influence on their journey to becoming entrepreneurs, with varying degrees of impact ranging from great to small. Additionally, a small percentage perceive no influence from their family in this regard.



Figure 63: To what extent do you think your family has a positive influence on you becoming an entrepreneur?

The results reveal that 47% of respondents believe that having entrepreneurs in their family positively affects their chances of becoming one while 52% do not think it has such an impact. This suggests a split perception among participants regarding the influence of family background on their entrepreneurial aspirations.

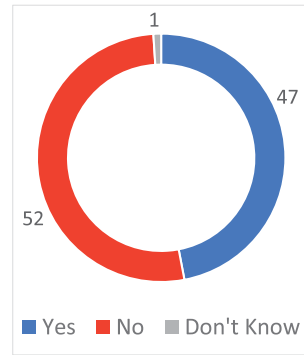


Figure 64: Does having entrepreneurs in your family affect the chance of you becoming one?

The responses regarding university support for entrepreneurial ideas are as follows:

• No, they do not provide such incentives:	40.4%
• Yes, they do provide incentives:	14.8%
• I don't know:	11.4%
• Refused to answer:	0.7%

These results suggest that a significant portion of respondents (40.4%) feel that their university or institute does not provide sufficient incentives for developing entrepreneurial ideas. There is also uncertainty among some participants while a smaller percentage acknowledges receiving such support.



Figure 65: If you are a student or a graduate, does/did your university/institute/college provide sufficient incentive tools for you to develop entrepreneurial ideas?

The responses regarding the impact of having an entrepreneurship major in the university are as follows:

• Not at all:	22.5%
• Yes, to some extent:	14.8%
• Yes, to a moderate extent:	35.1%
• Yes, to a great extent:	27.6%

These results suggest that a substantial percentage of respondents believe that having an entrepreneurship major at their university would motivate them to pursue a career in entrepreneurship, with varying degrees of impact ranging from moderate to great.

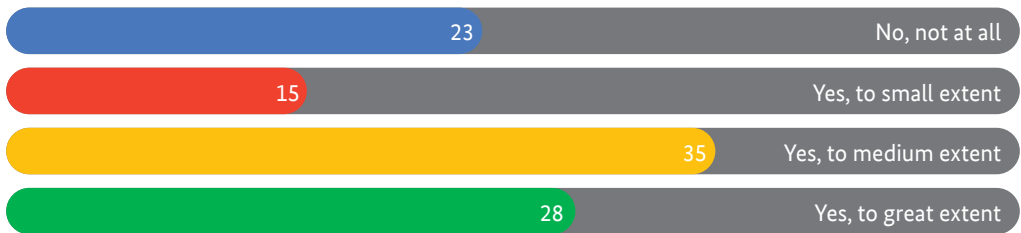


Figure 66: Will having an entrepreneurship major in your university/institute/college motivate you more to pursue that career path?

A substantial 74% of respondents express that listening to entrepreneurs' personal experiences would positively influence their attitude towards becoming one. In contrast, 24% feel that such experiences would not have a significant impact on their entrepreneurial aspirations. These results highlight the potential motivational role of first-hand accounts in shaping individuals' perspectives and attitudes towards entrepreneurship.

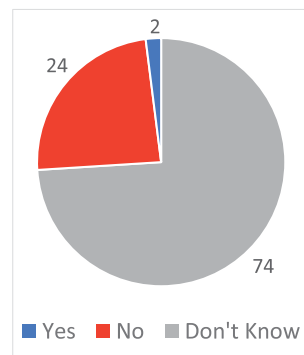


Figure 67: Would listening to entrepreneurs' personal experience affect your attitude towards becoming one?

A significant 79% of respondents believe that social media has a positive influence on their inclination to become entrepreneurs, while 20% think otherwise. These results suggest that the majority perceive social media as a beneficial factor in shaping their entrepreneurial aspirations.

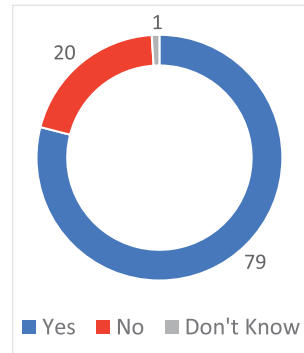


Figure 68: Does social media have a positive influence on you becoming an entrepreneur?

The results indicate that 76% of respondents believe that their young age plays a factor in their potential to become entrepreneurs while 23% think otherwise. This suggests that a significant majority recognise the influence of their youth in shaping their entrepreneurial journey.

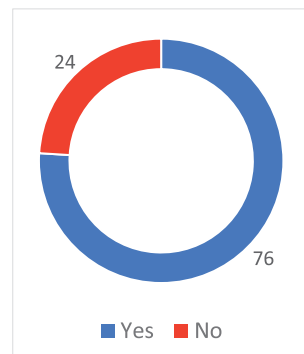


Figure 69: Do you think your young age plays a factor in you becoming an entrepreneur?



A substantial 90% of respondents believe that being young provides them with more time to start up a business in the future while only 10% think otherwise. This indicates a widespread perception among participants that youth offer an advantage in terms of time for entrepreneurial endeavours.

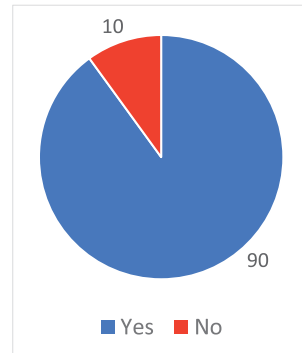


Figure 70: Do you think that being young gives you more time to start up a business in the future?

A significant 51.8% of respondents express that legal and financial obligations form a considerable obstacle, leading to a state of hesitation in pursuing the entrepreneurship path. Additionally, 30.7% indicate a moderate level of impact while 9.1% feel a minor hindrance. In contrast, 8.5% believe that legal and financial obligations do not pose any hesitation at all. These findings highlight the varied influence of legal and financial factors on individuals contemplating entrepreneurial ventures.

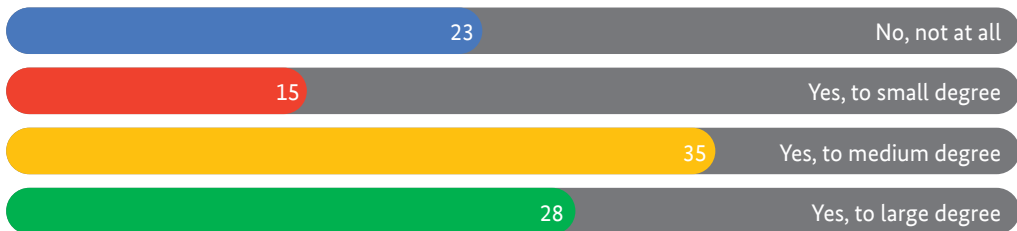


Figure 71: Do legal and financial obligations form a state of hesitation in pursuing the entrepreneurship path?

**Chapter 10:
Conclusions and Policy
Recommendations**

Jordan continues its progress in the field of entrepreneurship. The APS figures indicate that the percentage of TEA among the respondents in 2023 (15.7%) has almost doubled compared to 2016 (8.2%). Further, the endurance of the entrepreneurs as evident from the increase in the EBO (from 2.7% in 2016 to 7.2% in 2023) indicates that entrepreneurship is a successful career track in Jordan. This is accompanied by an enhancement of societal perception as more people see entrepreneurship as a good career choice. However, starting a business in Jordan is not that easy, according to two-thirds of the respondents. In addition to that, the COVID-19 pandemic was a tough time, especially for newly-EBO, despite new opportunities for entrepreneurship and digitalisation.

The progress in Jordan can be referred as a general improvement in the national entrepreneurial ecosystem. The results of NES provide positive indications regarding governmental support and policies. The figures improved in this indicator from insufficient in 2016 (3.55) to almost satisfactory in 2023 (4.95). Additionally, the physical and service infrastructure indicator continued to improve and increased its sufficiency level to 6.92 in 2023. The most impressive improvement in the NES results is the Jordanian progress in the governmental programs. Between 2016 and 2023, the indicator increased by 37% to reach a sufficient level (5.07). Further, a significant improvement in the taxes and bureaucracy indicators can be observed. Still, there is some decrease in the financing available for the entrepreneurs, that can be referred to the aftermath of the COVID-19 pandemic. In this regard, almost two-thirds of the entrepreneurs' respondents are not satisfied with the Government's responses to the economic consequences of the pandemic.

The results in the NES show that entrepreneurship education and its effectiveness have been an issue since 2016. Jordan did not achieve any significant progress in this regard for both levels: basic education and post-school entrepreneurial education and training. However, as indicated in the 2023 GEM global report, this is a worldwide problem as it seems that educational institutes are not paying enough attention to this important aspect. Moreover, the outdated curricula and the unqualified trainers, along with the absence of dedicated programs, may contribute to this problem. Here, there is a need to modernise entrepreneurship education in Jordan by integrating advanced technologies, spreading awareness of SDGs and designing customised training programs in schools and universities. Regarding R&D Transfer, it seems that Jordan has not done well in this dimension since 2016, and it is recommended to introduce new programs that connect universities and research centres with industry and increase awareness about technology transfer among researchers and industrial professionals.

The ratio of females to males in TEA doubled between 2016 and 2023; however, it is still insufficient. It appears that women in Jordan prefer public or private employment to starting their own businesses. This can be related to both cultural and regulatory backgrounds. Further, the markets are still more accessible for male than female entrepreneurs. In this regard, it is recommended to provide more supporting and affordable services (i.e., childcare, home services, after-school programs, elder care, etc) to promote entrepreneurship among women.

According to the APS results, youth in the age group of 18-24-year-old have a low contribution to TEA. Thus, it is important to explore the range of obstacles and catalysts for young people looking to become entrepreneurs. From the survey, it is noticeable that financial obstacles pose the biggest deterrent to the growth of young entrepreneurs. However, the survey results highlighted various key areas which can be targeted to improve the state of youth entrepreneurship in Jordan. For example, specific entrepreneurship programs had a positive impact on the youth, even though awareness of such programs was poor among those who had not reached secondary school.

Based on the results of GEM Jordan national report, the following is recommended for policy and practice:

- Continue to improve and reform the policies and regulations that influence the ease of starting a business.
- Promoting venture capital from multiple sources of funding for different entrepreneurial investment needs.
- Provide sufficient entrepreneurship education for children and youths at the primary and secondary school and university levels to help them understand the concept.
- Implement practical and interactive business and entrepreneurship training programs to fill the gap in the knowledge required and further encourage entrepreneurship as a career path.
- Introduce new programs that connect universities and research centres with industry and increase the awareness about technology transfer.
- Consider ways to support women entrepreneurs and facilitate their access to a supportive services like childcare, home services, etc.
- Implementing risk-mitigating initiatives to reduce the fear of failure within startups.

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